

## **POST ACTION AGENDA NOTICE**

### **Town of Fountain Hills Town Council Retreat Agenda**

Fountain Hills Town Hall Council Chambers 16705 E. Ave. of the Ftns, Fountain Hills, AZ  
February 11, 2016

**9:00 AM**

### **NO ACTION TAKEN - DISCUSSION ONLY**

- 1. Town Manager's Overview of 2015-16 9:04 PM**
- 2. Proposed FY 2016-17 Budget, Fiscal and Financial Policies, Five Year Financial Forecast, and Strategies to Address Financial Challenges**
  - a. Review Fiscal/Financial Policies
  - b. Review Existing Fund Balances
  - c. Review Town's Debt Service
  - d. Review 2015-16 Annual Budget
  - e. Review Proposed 2016-17 Annual Budget
  - f. Five Year Financial Forecast
  - g. Capital Reserve Study
  - h. Strategies to Address Financial Challenges
- 3. Capital Projects Report**
  - a. Project Status
  - b. CIP Funding Status
- 4. Transportation Report**
  - a. Capital Road Projects Status
  - b. Pavement Management Plan Update
  - c. Next Major Street Priorities
- 5. Core Services**
  - a. Public Safety
  - b. Administration
  - c. Community Services
  - d. Development Services
- 6. Operational Priorities**
- 7. Strategic Planning Update**
- 8. Economic Development and Tourism Updates**
- 9. Public Safety**
  - a. Law Enforcement
  - b. Fire/Emergency Medical Services
- 10. Good of the Order**
- 11. Adjournment 1:45 PM**

**Town of Fountain Hills  
Town Council Retreat Agenda**

Fountain Hills Town Hall Council Chambers 16705 E. Ave. of the Ftns, Fountain Hills, AZ  
February 11, 2016  
**9:00 AM**

**1. Town Manager's Overview of 2015-16**

**2. Proposed FY 2016-17 Budget, Fiscal and Financial Policies, Five Year Financial Forecast, and Strategies to Address Financial Challenges**

- |  |   |
|--|---|
| a. Review Fiscal/Financial Policies      | f. Five Year Financial Forecast               |
| b. Review Existing Fund Balances         | g. Capital Reserve Study                      |
| c. Review Town's Debt Service            | h. Strategies to Address Financial Challenges |
| d. Review 2015-16 Annual Budget          |   |
| e. Review Proposed 2016-17 Annual Budget |   |

**3. Capital Projects Report**

- a. Project Status
- b. CIP Funding Status

**4. Transportation Report**

- a. Capital Road Projects Status
- b. Pavement Management Plan Update
- c. Next Major Street Priorities

**5. Core Services**

- |                   |                         |
|-------------------|-------------------------|
| a. Public Safety  | c. Community Services   |
| b. Administration | d. Development Services |

**6. Operational Priorities**

**7. Strategic Planning Update**

**8. Economic Development and Tourism Updates**

**9. Public Safety**

- a. Law Enforcement
- b. Fire/Emergency Medical Services

**10. Good of the Order**

**11. Adjournment**

# TOWN OF FOUNTAIN HILLS

## Town Council Retreat



**February 11, 2016**

# **Council Retreat Agenda**

- **Town Manager's Overview**
- **Proposed FY 2016-17 Budget, Fiscal and Financial Policies, and Five Year Forecast**
  - Review Fiscal/Financial Policies
  - Review Existing Fund Balances
  - Review Debt Service
  - Review 2015/16 Annual Budget
  - Review Proposed 2016/17 Annual Budget
  - Five year Financial Forecast
  - Capital Reserve Study
  - Possible Measures to Address Financial Challenges

- **Core Services**
- **Operational Priorities**
  - Review 2015/16 Operational Priorities
  - Establish 2016/17 Operational Priorities
- **Strategic Planning Update**
  - Review 2015/16 Strategic Planning Goals
  - Discuss Strategic Plan Update
- **Capital Projects Report**
  - Project Status
  - CIP Funding Status

- **Transportation Report**
  - Capital Projects - Initiated
  - Pavement Management Plan
  - Pavement Replacement Plan
- **Economic Development Plan**
  - Economic Development Update
  - Tourism Update
- **Public Safety**
  - Law Enforcement
  - Fire/EMS

# Town Manager's Overview



- **Capital Projects**

Fire Station #2

Adero Canyon Trailhead

Fountain Lake Water Quality

Fountain Hills Blvd. Shoulder Paving

Alley Paving , Phase IV

Ashbrook Wash

Bus Barn Removal

Fountain Park Improved Access

- **Environmental Fee**

- **Fire Services Contract Negotiations**

- 2 Year Extension, or
- 5 Year Negotiated Contract

- **Solid Waste Contract**

- Consider adding other services to contract – household hazardous collection and electronics recycling
- Contract until November 2016 with renewal options through November 2018

# **Financial Policies**

# Financial Policies

- Current Policies
  - Financial Policies – includes cash handling
  - Capital Asset
  - Grant
  - Procurement
  - Investment
  - Issuance and Post-issuance Compliance
- Policies to be Developed
  - Travel

# Financial Policies –continued

- Policies to be Revised

- Financial Policies

- Amend use and designation of General Fund reserves, including Rainy Day fund (also when to move surplus operating fund monies)
    - Change allocation of construction sales tax

- Investment Policy

- Originally developed in March 2003
    - Current investment management advisor recommends a review to consider current investment vehicles and market conditions

# Financial Policies –continued

- Policies to be Revised
  - Grant Policy
    - Needs update to conform with Uniform Guidance document for Single Audit requirements

# Fund Balances

# Fund Balances

All Fund Balances are as of 12/31/2015

## Operating Funds

99	Rainy Day Fund	\$ 2,624,843	
100	General Fund	5,621,670	
410	Public Art Fund	5,919	
800	Internal Service Fund	(7,395)	
810	Vehicle Replacement Fund	668,521	\$ <b>8,913,558</b>

# Fund Balances - continued

All Fund Balances are as of 12/31/2015

200	<b>Highway User Revenue Fund (HURF)</b>	668,627	<b>668,627</b>
	<b>Special Revenue Funds</b>		
400	Special Revenue Fund	54,643	
420	Court Enhancement Fund	284,259	
460	Environmental Fund	13,711	
550	Cottonwoods Maintenance District Fund	13,338	<b>365,951</b>
	<b>Excise Tax Funds</b>		
300	Downtown Strategy Fund	886,729	
310	Economic Development Fund	57,905	
320	Tourism Fund	88,920	<b>1,033,554</b>
	<b>Debt Service</b>		
510	General Obligation Debt Service Fund	1,530,848	
520	Eagle Mountain CFD Debt Service Fund	297,157	
530	MPC Debt Service Fund	426,986	<b>2,254,991</b>

# Fund Balances - continued

All Fund Balances are as of 12/31/2015

<b>Capital Projects</b>			
600	Capital Projects Fund	5,599,910	
610	Facilities Replacement Fund	170,227	<b>5,770,137</b>
<b>Development Fees</b>			
710	Law Enforcement	203,484	
720	Fire & Emergency	97,008	
730	Streets	-	
740	Parks & Recreation	229,338	
750	Open Space	1,660,059	
760	Library/Museum	-	<b><u>2,189,889</u></b>

# Debt Service

# Debt Service

- **General Obligation (GO) Bonds**
  - Backed by full faith, credit and taxing power
  - Finance a variety of public projects
  - Repayment from secondary property tax revenues
  - Requires voter approval
- **Municipal Property Corporation (MPC) Bonds**
  - Backed by excise taxes, including local sales tax, franchise tax, State-shared sales tax
  - Debt issued to purchase municipal facilities and lease to the Town
  - Does not require voter approval

# OUTSTANDING BONDS

## at 6/30/2016

Bond Type	Purpose of Issue	Date of Bond Issue	Interest Rate	Date of Maturity	Original Principal Amount	Principal Amount Retired	Amount Refunded	Outstanding Principal
GO	Refunding	6/1/2005	4.00	7/1/2019	\$ 7,225,000	\$ 6,025,000	\$ -	\$ 1,200,000
GO	Road Construction	12/18/2014	2.00-3.00	7/1/2020	7,565,000	1,360,000	-	6,205,000
	Total GO				<u>14,790,000</u>	<u>7,385,000</u>	<u>-</u>	<u>7,405,000</u>
Rev	Refunding	6/4/2015	1.62	7/1/2020	1,880,000	480,000	-	1,400,000
	Total Rev				<u>1,880,000</u>	<u>480,000</u>	<u>-</u>	<u>1,400,000</u>
GO	Eagle Mtn	6/4/2015	1.76	7/1/2021	2,300,000	365,000	-	1,935,000
	Total GO - Eagle Mtn				<u>2,300,000</u>	<u>365,000</u>	<u>-</u>	<u>1,935,000</u>
	Grand Total				<u>\$ 18,970,000</u>	<u>\$ 8,230,000</u>	<u>\$ -</u>	<u>\$ 10,740,000</u>



GO General Obligation Bonds  
 Rev Revenue Bonds

Revenue bonds include Community Center  
General Obligation Bonds include Library/Museum, Preserve and Saguaro

**2015/2016**  
**Annual Budget**

# Current FY15/16 Budget By Core Services From All Funds

• Public Safety	\$ 7,185,767
• Administration	\$ 2,668,401
• Downtown Excise Fund/ED	\$ 1,015,908
• Development Services	\$ 4,646,749
• Community Services	\$ 2,260,575
• Debt Service	\$ 3,027,313
• Special Revenue Funds	\$ 2,378,899
• Capital	\$14,664,106
• Internal	<u>\$ 99,555</u>
<b>Total</b>	<b>\$37,947,273</b>

# Revenues

<b>Current Year Revenues - YTD Ending December 31 - All Funds</b>					
<b>FUND</b>	<b>YTD FY14-15</b>	<b>YTD FY15-16</b>	<b>YTD FY15-16 Budget</b>	<b>% YTD FY15-16 Budget</b>	<b>% Incr/(Decr) from Prior Year</b>
Operating Funds	\$ 6,697,739	\$ 7,060,191	\$ 7,096,742	99.5%	5.4%
HURF	1,067,494	1,135,029	1,155,231	98.3%	6.3%
Dev Fees	231,700	135,673	96,178	141.1%	(41.4%)
Special Revenue	941,842	388,861	1,149,199	33.8%	(58.7%)
Excise Tax	354,571	362,487	293,000	123.7%	2.2%
Debt Svc MPC	261,952	253,714	208,348	121.8%	(3.1%)
Debt Svc GO	614,755	1,450,091	1,436,084	101.0%	135.9%
CIP	9,478,092	179,205	1,519,585	11.8%	(98.1%)
<b>Grand Total All Funds</b>	<b>\$ 19,648,145</b>	<b>\$ 10,965,251</b>	<b>\$ 12,954,367</b>	<b>84.6%</b>	<b>(44.2%)</b>

# Expenditures

<b>Current Year Expenditures - YTD Ending December 31 - All Funds</b>					
<b>FUND</b>	<b>YTD FY14-15</b>	<b>YTD FY15-16</b>	<b>YTD FY15-16 Budget</b>	<b>% YTD FY15-16 Budget</b>	<b>% Incr/(Decr) from Prior Year</b>
Operating Funds	\$ 7,276,619	\$ 7,079,415	\$ 7,006,463	101.0%	(2.7%)
HURF	551,535	2,017,363	1,424,061	141.7%	265.8%
Dev Fees	268	14,519	200,611	7.2%	5317.5%
Special Revenue	139,237	13,669	1,099,019	1.2%	(90.2%)
Excise Tax	1,318,544	408,985	537,113	76.1%	(69.0%)
Debt Svc MPC	51,092	23,276	205,926	11.3%	(54.4%)
Debt Svc GO	41,250	259,595	1,366,982	19.0%	529.3%
CIP	2,210,765	5,359,805	7,133,464	75.1%	142.4%
<b>Grand Total All Funds</b>	<b>\$ 11,589,310</b>	<b>\$ 15,176,627</b>	<b>\$ 18,973,639</b>	<b>80.0%</b>	<b>31.0%</b>

**2016/2017**  
**Proposed Budget**

# Assumptions

- Revenue projections are determined using some trend analyses as well as estimates of building activity; they are our best guesses for future revenues
- 2% reduction in distribution of State Shared revenues – the mid-decade census will affect our proportionate share of distributions (negatively) – impact of Governor Ducey’s Executive Budget on State Shared revenues is unknown at this time
- The existing level of service is maintained
- Building permit activity projected to include permits for Adero Canyon, Firerock and Summit at Crestview
- Additional priority staffing levels will be considered dependent upon necessity
- No inflation factor for FY17, 2.5% for FY18 and 3.5% for FY19, FY20 & FY21
- Public safety contracts increase 3.5% - 10.0% through FY21
- Annual General Fund payment for Community Center is required beginning in FY16-17.
- The projections do not presume development in the former State Trust land within the next five years.

# FY17 BUDGET ASSUMPTIONS

	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21
New staff	1*	0	1*	0	0
MCSO Increase	7.0%	10.0%	10.0%	10.0%	10.0%
Rural Metro Increase	3.5%	3.5%	3.5%	3.5%	3.5%
Inflation	0%	2.5%	3.5%	3.5%	3.5%
Building Permits	41	54	54	59	59
Election Costs	\$55,000	\$22,000	\$0	\$24,000	\$0
Community Center debt payment subsidy	\$249,055	\$377,586	\$381,754	\$305,760	\$0
General Fund contingency	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000

\*additional staff is dependent upon budget availability.

# BUDGET BY CORE SERVICES FROM ALL FUNDS

	<u>FY15-16</u>	<u>FY16-17</u>
Public Safety	\$ 7,185,767	\$ 7,589,313
Administration	2,668,401	2,756,971
Downtown Strategy Fund/ED/Tourism	1,049,225	1,033,585
Development Services	4,646,749	4,255,232
Community Services	2,260,575	2,502,231
Debt Service	3,027,313	2,921,671
Special Revenue Funds	2,345,582	2,329,708
Capital	14,664,106	7,344,106
Internal Funds	<u>99,555</u>	<u>358,930</u>
<b>TOTAL</b>	<u><u>\$37,947,273</u></u>	<u><u>\$ 31,091,747</u></u>

# ED BUDGET RECAP

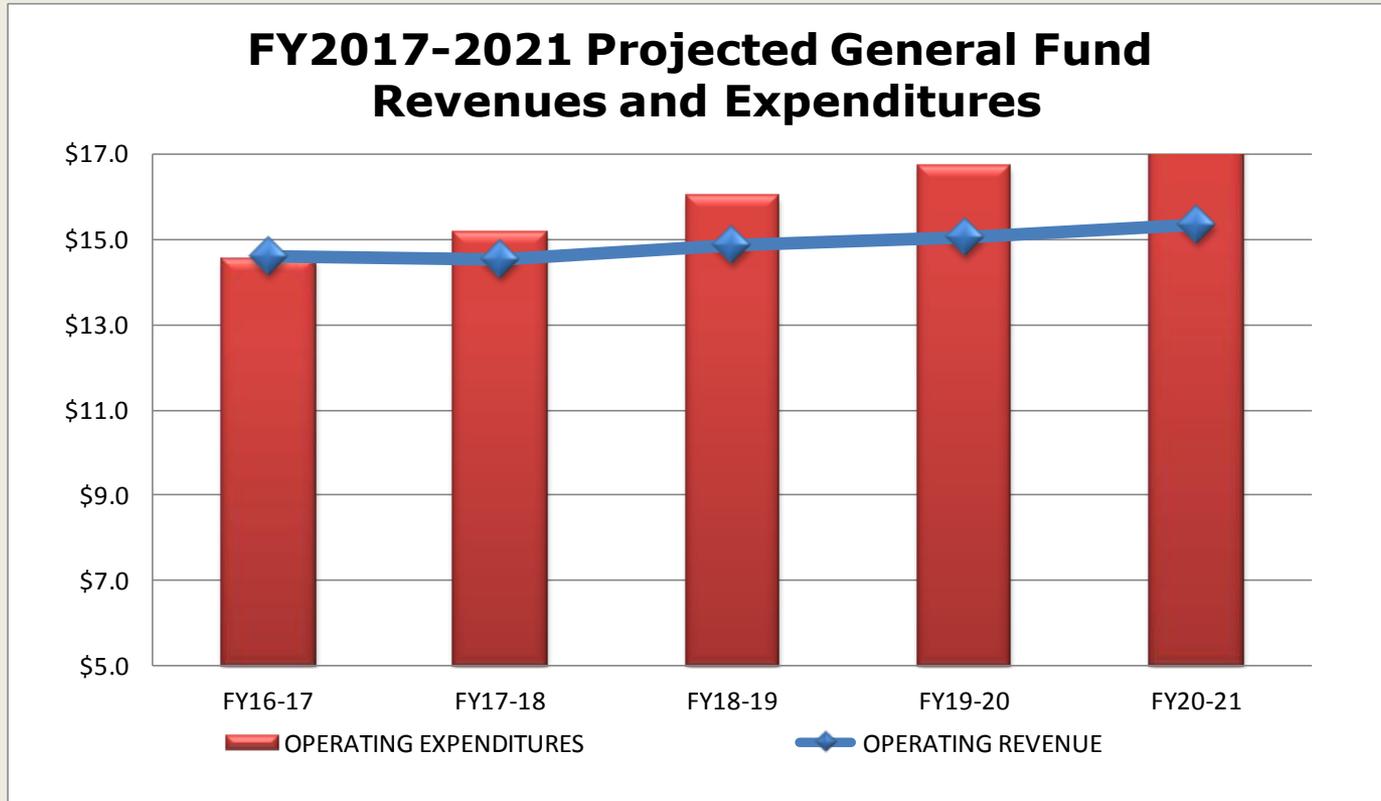
## EXCISE TAX/ECONOMIC DEVELOPMENT PLAN

- 20% of Excise Tax-Downtown Strategy \$ 69,278
  - 80% of Excise Tax-ED Plan 277,111
- \$346,389

Estimated Balance in the Downtown Strategy -  
Excise Tax Fund is \$ 900,000

# **Five Year Financial Forecast**

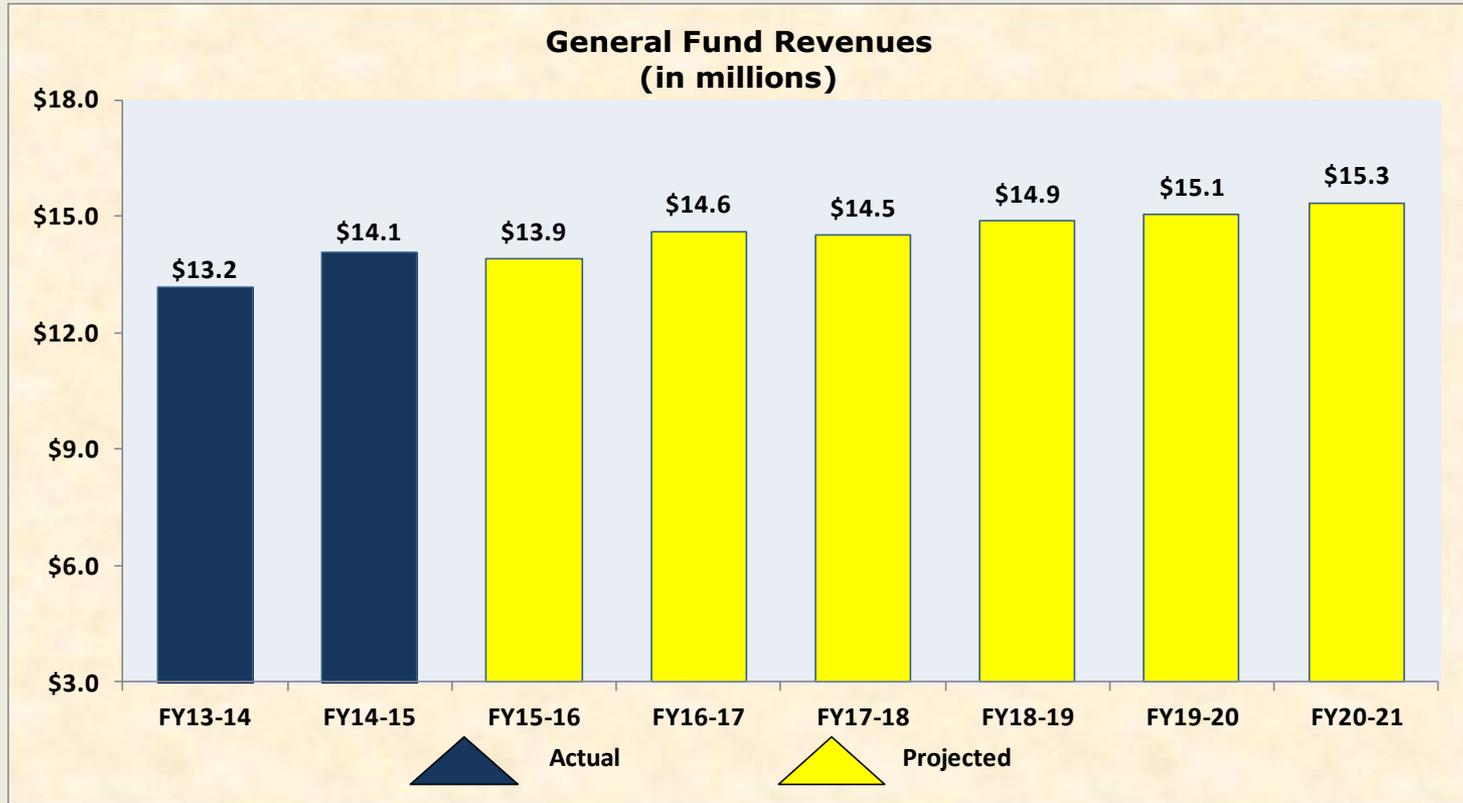
# GENERAL FUND PROJECTIONS



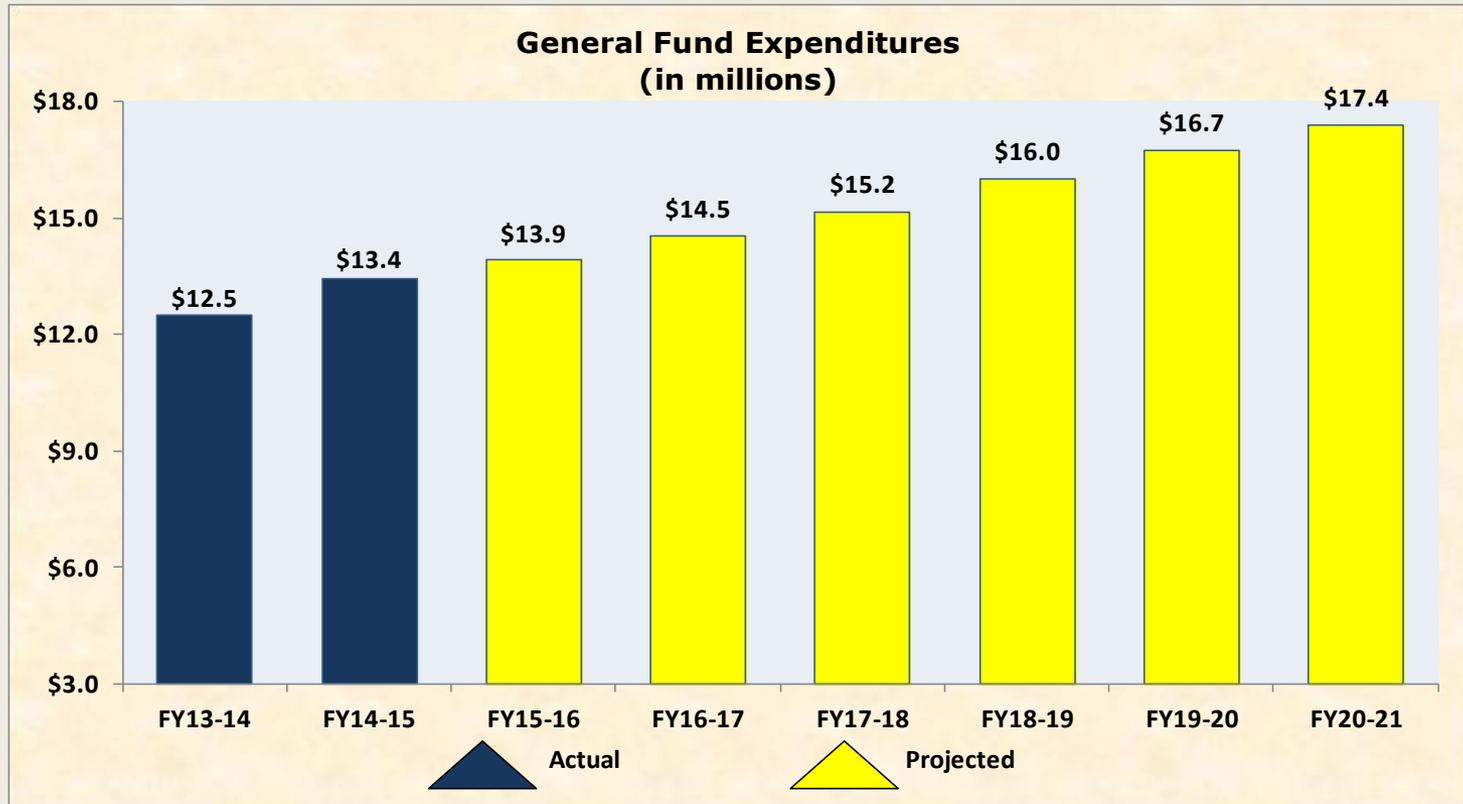
# GENERAL FUND PROJECTIONS

<b>FISCAL YEAR (July to June)</b>	<b>STATE SHARED REVENUES</b>	<b>LOCAL REVENUES</b>	<b>TOTAL GF EXPEND.</b>	<b>SURPLUS/ (SHORTFALL)</b>
2016-17	4,796,127	9,813,850	14,545,851	64,126
2017-18	4,913,475	9,614,569	15,164,386	(636,342)
2018-19	5,033,813	9,847,712	16,009,090	(1,127,565)
2019-20	5,157,220	9,897,021	16,741,962	(1,687,721)
2020-21	5,283,777	10,064,662	17,382,211	(2,033,772)

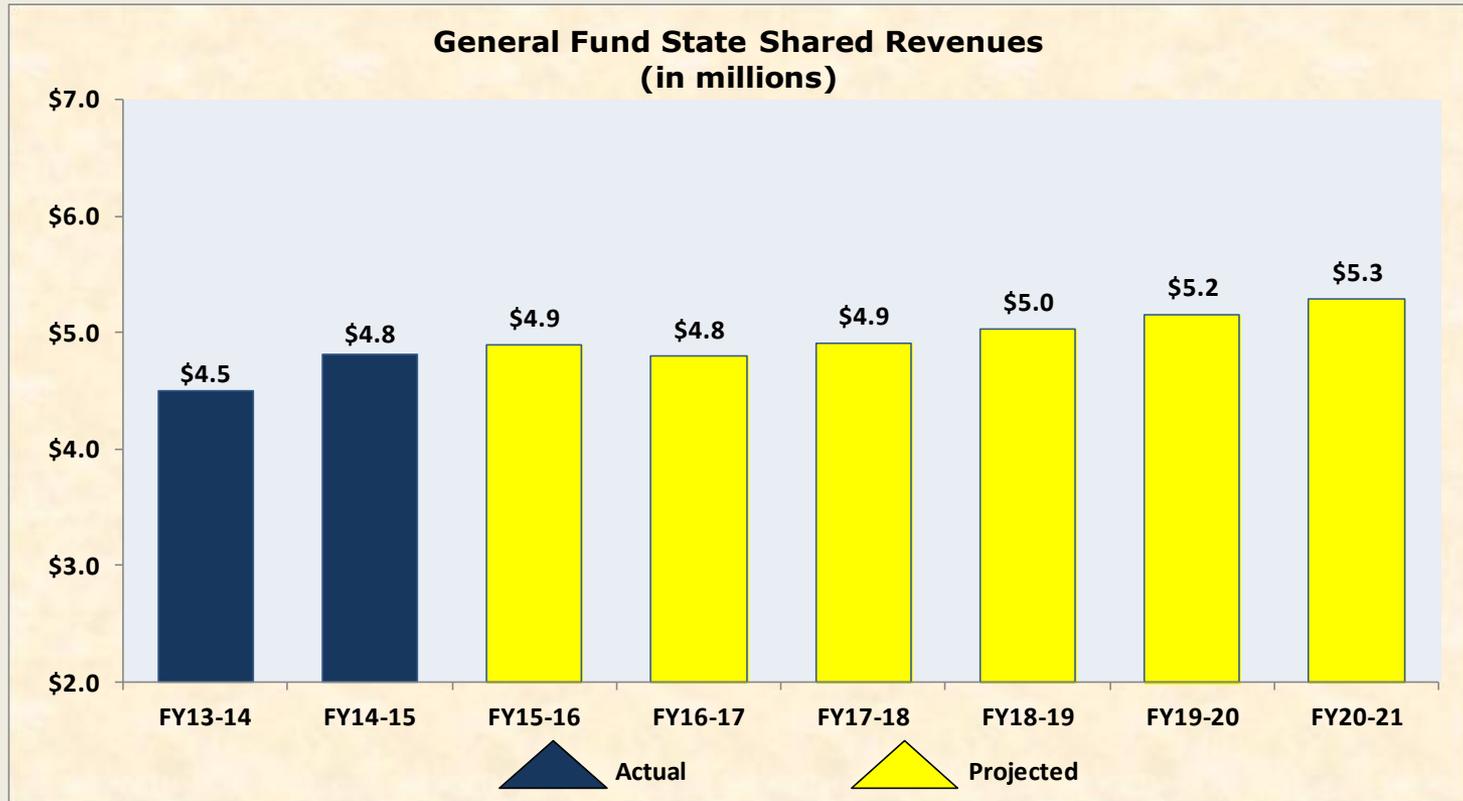
# GENERAL FUND PROJECTIONS



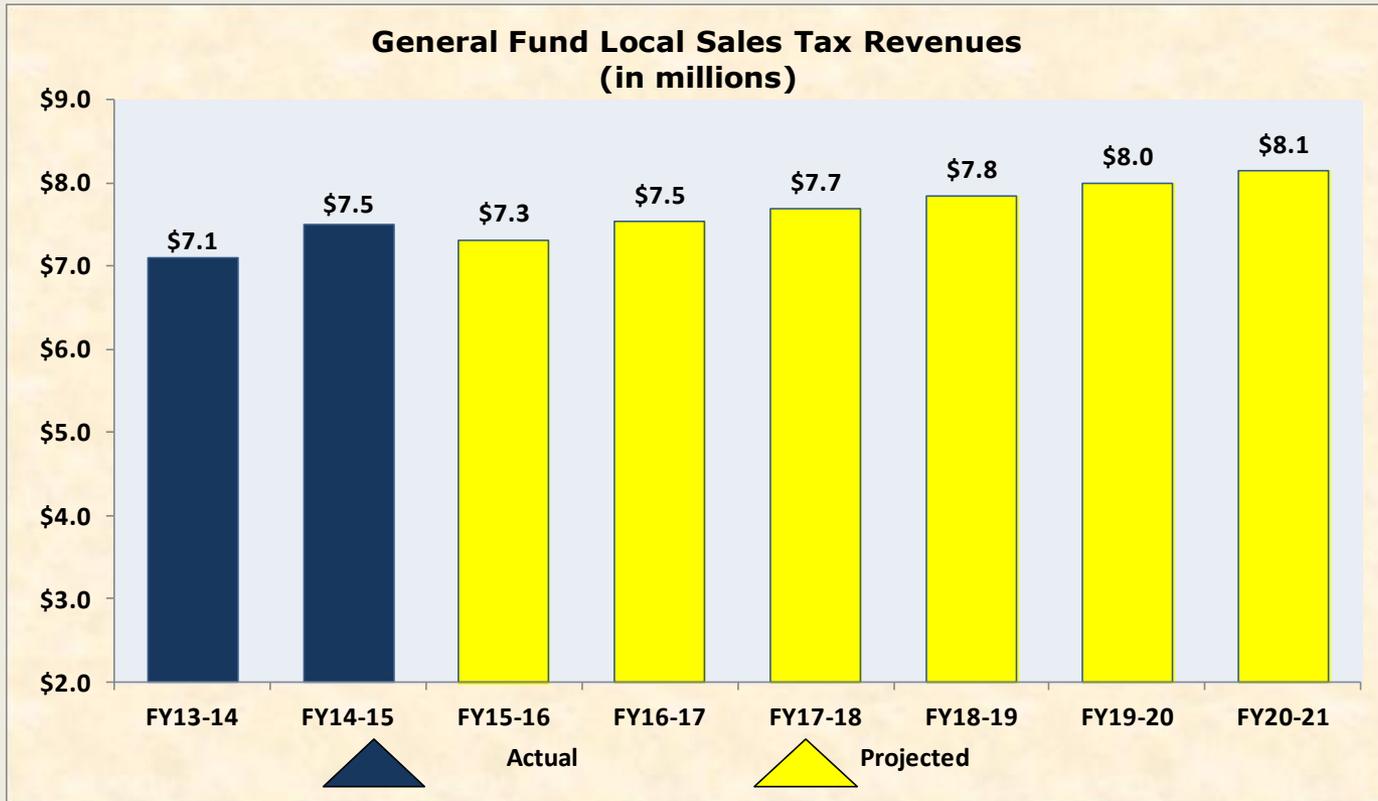
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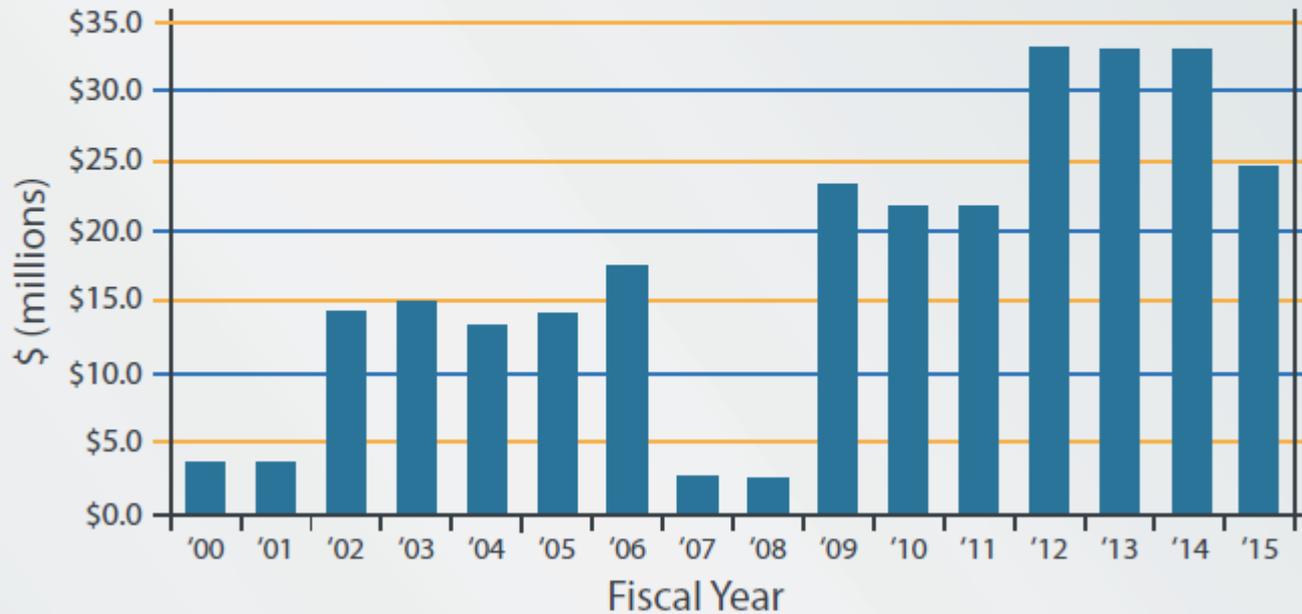


# GENERAL FUND PROJECTIONS



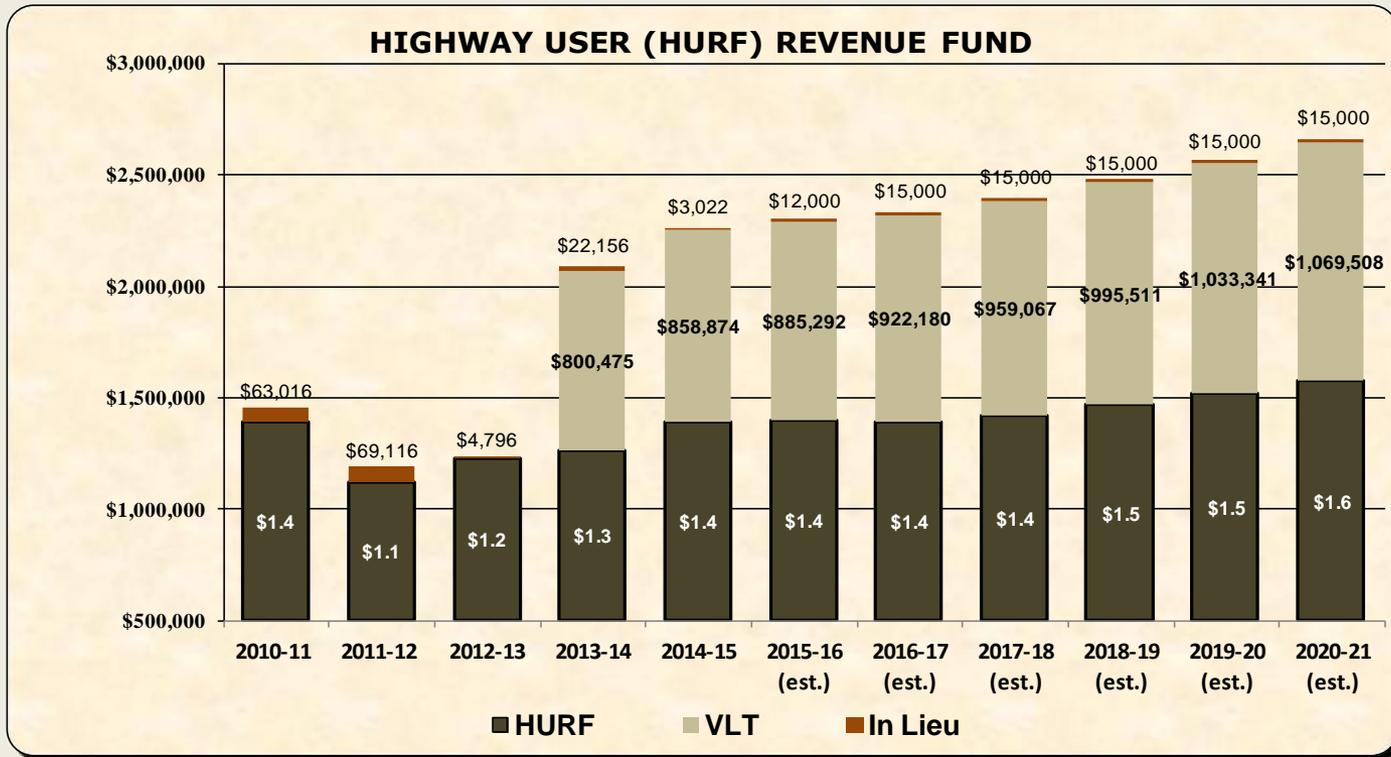
# HURF REVENUES

HURF Transfers from Cities and Towns to DPS (2000 - Present)



Source: League of Arizona Cities and Towns *2015 Municipal Policy Statement*  
*Roughly \$250,000,000*

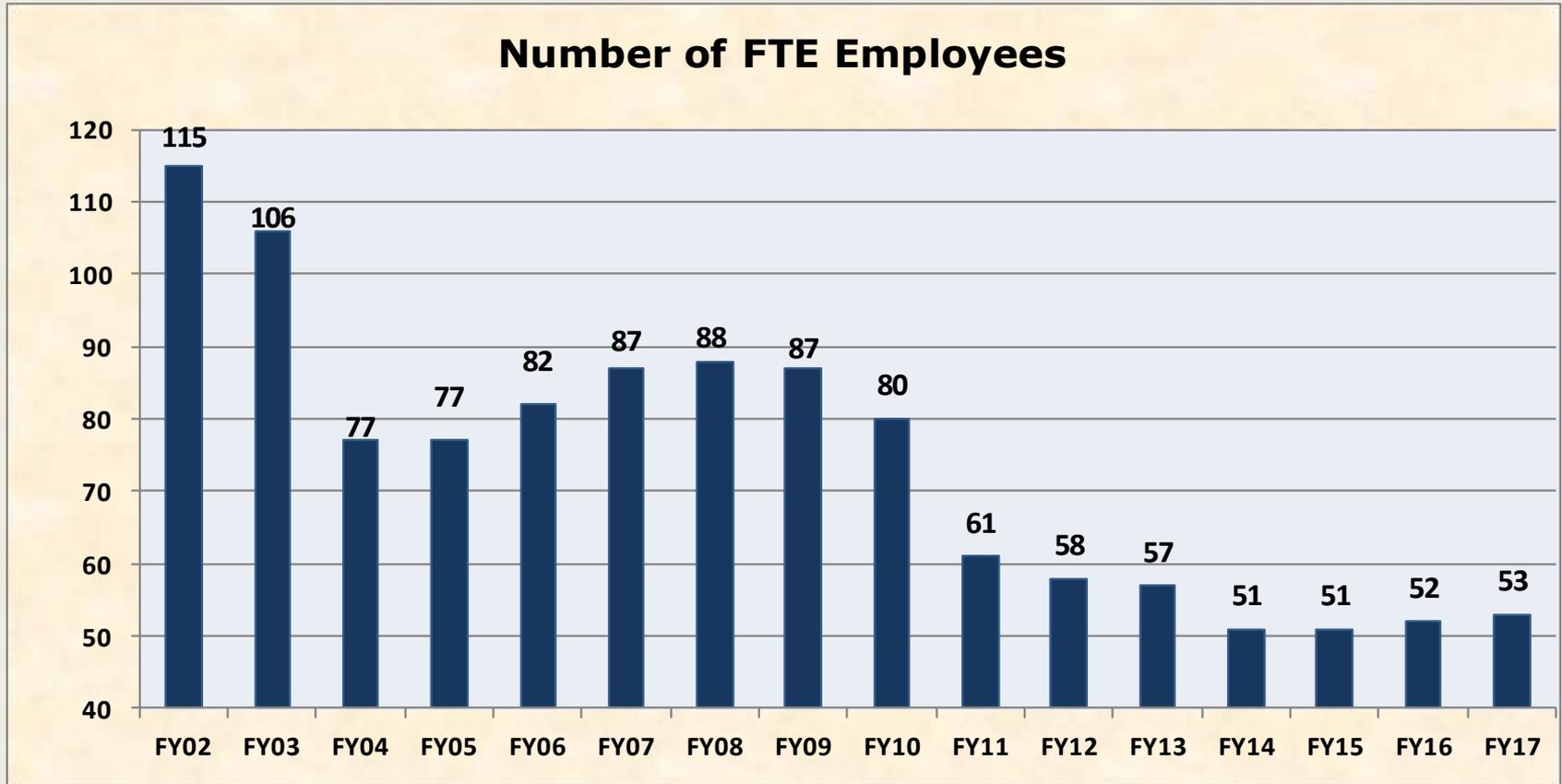
# HURF REVENUES



# PERSONNEL

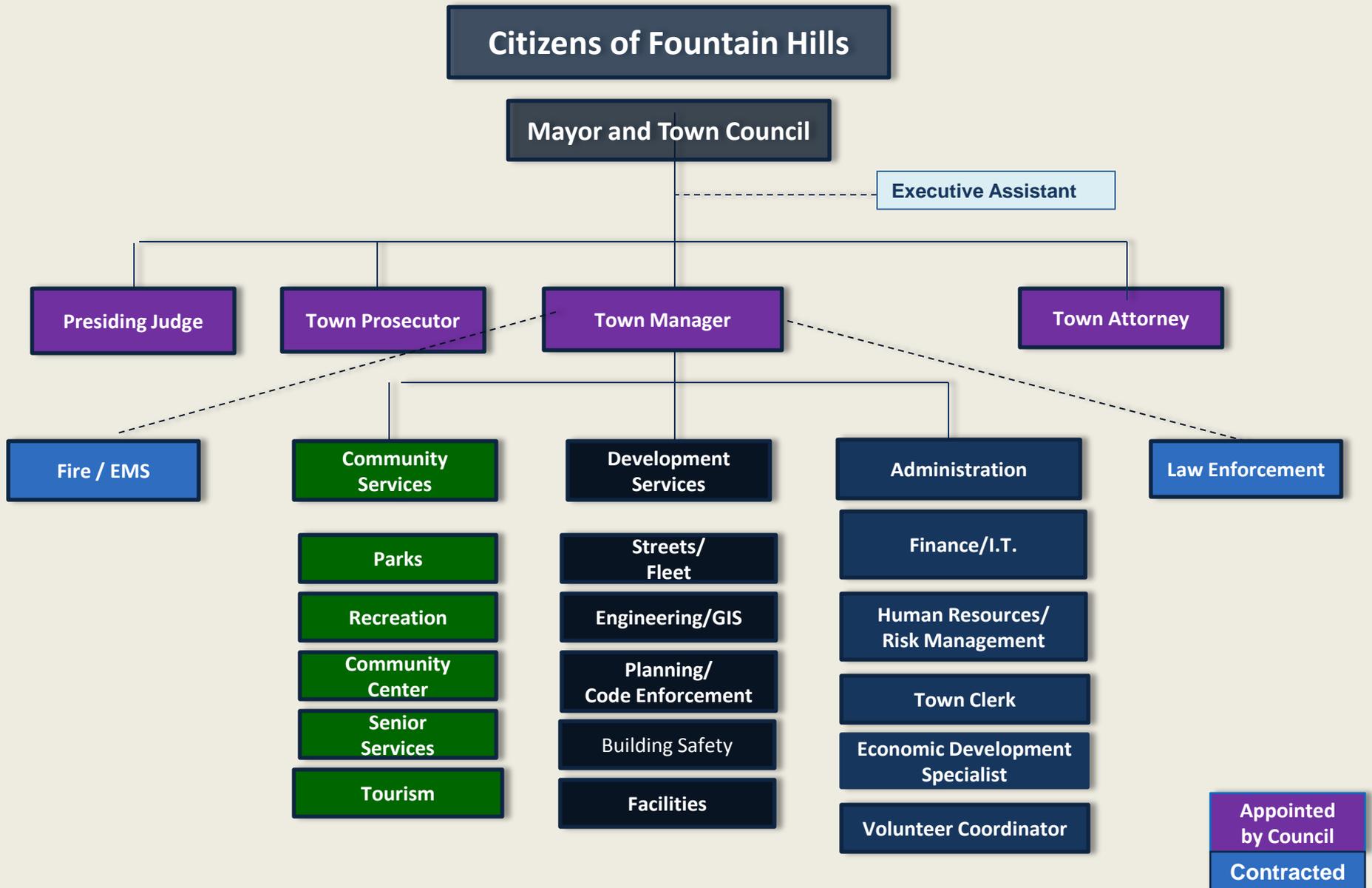
- New staff positions under consideration:
  - One, dependent upon budget availability
- 43 Full Time Employees/22 Part Time Employee
- 53.32 Total Full Time Equivalent Employees.

# PERSONNEL



**Delivery of service to the citizens of Fountain Hills is dependent upon the available funding and the number of employees and volunteers who can perform the services.**

# Town of Fountain Hills Organization



# **Capital Reserve Study**

# Capital Reserve Study

- 30 year period – 2016 through 2045
- Inflation rate of 3%; interest rate of 1.65%
- Fully funded reserve balance - \$7,127,225
- Recommended monthly reserve contribution - \$84,600 or \$1,015,200 annually
- Annual increases of 3% for 10 years followed by annual increases of 2% for the remaining 20 years

# **Strategies to Address Financial Challenges**

# Financial Strategies

- Increase sales tax rate (on some or all tax categories) such as retail, bed tax, commercial rental – bed tax would require vote of residents
- Implement public safety fee (estimate to replace Rural Metro contract would increase expenditures by \$450,000) – current experience with environmental fee is not good

# Financial Strategies- continued

- Impose a primary property tax – would require a vote of the residents
- Reduce staff - staff has been reduced two previous times
- Explore contracting out more basic services – would need to develop comprehensive RFPs
- Hire a financial advisor to assess Town's finances and recommend strategies to address future revenue shortfalls

# Financial Strategies - continued

- Engage TPT auditor to pursue residential rental taxes from rental properties –
- Reduce coverage for police and/or fire – could reduce MCSO beats – per 2011 request, cost savings to reduce beats from 3.8 currently to 3.4 would result in savings of \$215,270 (adjusted to 2016-2017, savings would be \$300,000 annually)

# Financial Strategies - continued

- TPT rate increase
  - Estimate that each one tenth of one percent (0.1%) increase in rates (all categories) would generate approximately \$340,000 in additional revenue
  - Current rate for Town only is 2.6%
  - Total State tax rate is 8.9%

# Financial Strategies - continued

- Raise Town fees
  - Licenses and permits not building related amounted to \$174,208 in FY14-15
  - Rental fees for FY14-15 amounted to \$126,965
  - Charges for services amounted to \$157,339 for FY14-15
  - Any increases would not be significant in relation to the total Town budget (FY14-15 total was \$458,512)

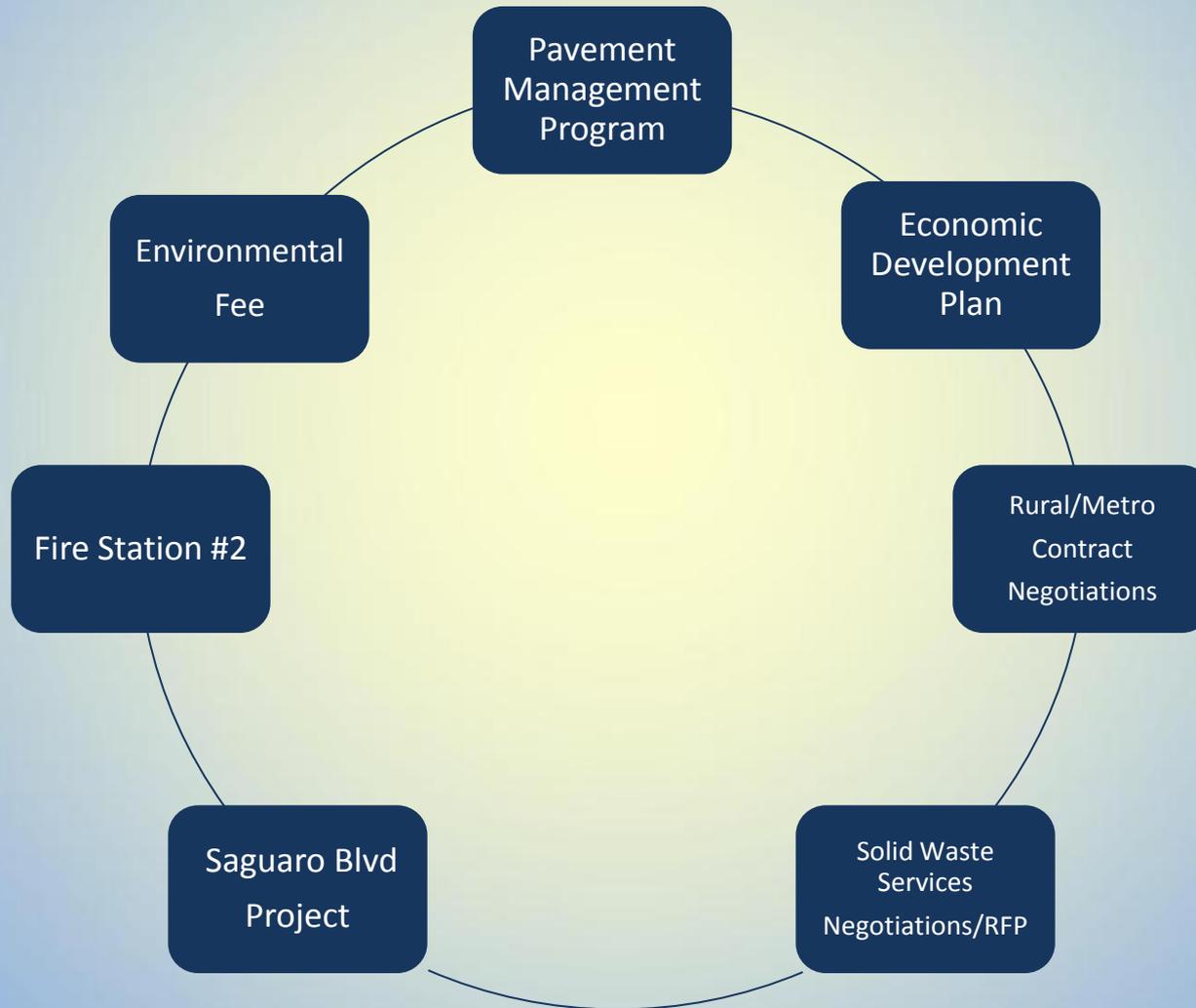
# Financial Strategies - continued

- Consider lease/purchase of vehicles instead of outright purchase

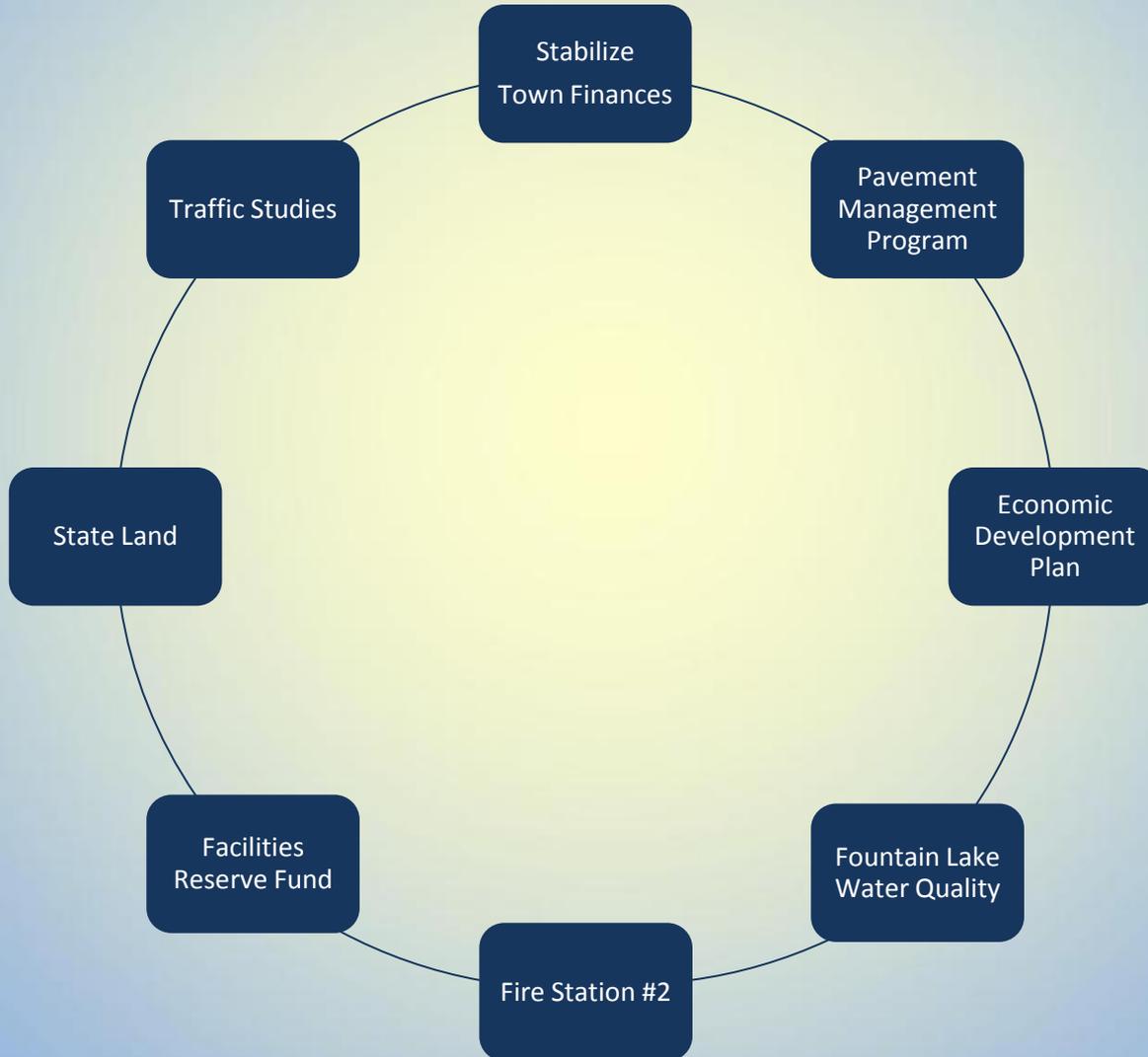
# **Questions/ Comments**

# **Operational Priorities**

# Operational Priorities FY15-16

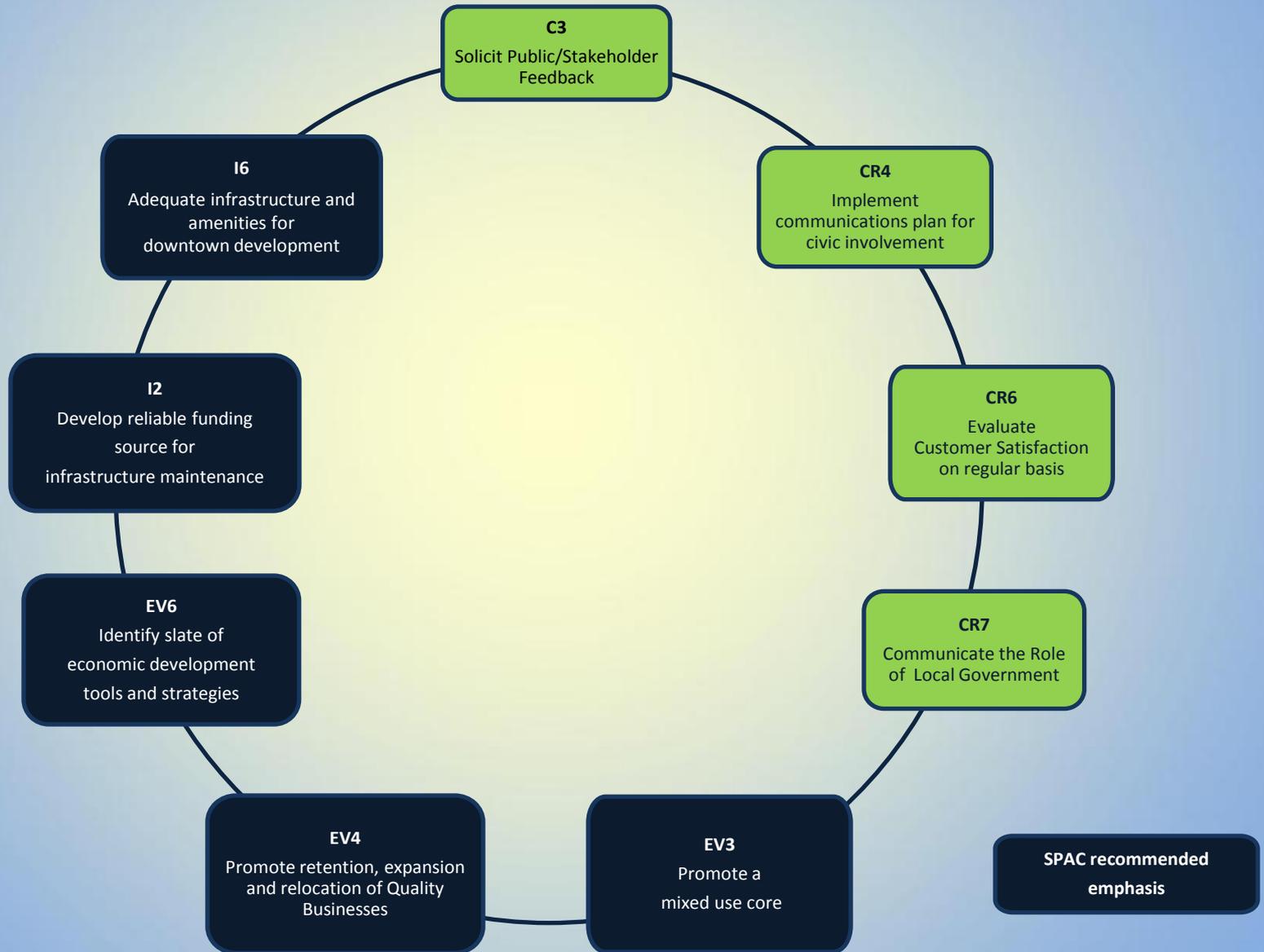


# Operational Priorities FY16-17



# **Strategic Planning Update**

# SPAC'S Recommended Strategic Planning Goals FY2015-16



# Strategic Planning Goals FY 2016-17



# Strategic Plan Update

- The Strategic Planning Advisory Commission (SPAC) is in process of a major update of 2010 Fountain Hills Strategic Plan
- Last Fall SPAC analyzed the 2010 SWOT Analysis and determined what was still relevant
- SPAC Chair Dana Saar presented outline of strategic plan project approach at Jan. 4 Town Council meeting
- SPAC is partnering with the Fountain Hills Cultural and Civic Assoc. on a visioning process which includes a web-based community survey launched Feb. 3

# Strategic Plan Update

- The results from the community survey will be compiled and utilized during a town hall meeting held at the Community Center on Saturday, May 7, 2016
- The report and outcome from the visioning town hall event will provide the data and citizen input allowing SPAC to prepare its update to the 2015-16 Plan
- SPAC anticipates that its first draft of the Strategic Plan Update will be completed no later than the end of 2016
- After completion of the draft Strategic Plan, SPAC will take the newly updated Strategic Plan to the Town Council for review and possible adoption

# **Capital Projects Report**

# 2015/16 Major Capital Projects

- Ashbrook Wash Channelization Improvements (\$2,145,000 total; \$1,310,000 CIP; \$835,000 Grant) - **initiated**
- Miscellaneous Drainage Projects (\$50,000 CIP) - **initiated**
- Downtown Vision Plan “Avenue/Lakeside Project” (\$200,000 Downtown Fund) - **not initiated**
- Fire Station #2 Relocation Project (\$3,650,000) – **initiated**
- Fountain Park Improvements (\$910,000 CIP; actual approx. \$750,000) - **completed**
- Fountain Lake Water Quality Improvements (\$200,000 CIP) – **initiated**
- Adero Canyon Trailhead (\$20,000) - **initiated**

# Major Capital Projects cont.....

- Shea/Saguaro Street Project (\$1,000,000 total: \$300,000 CIP; \$700,000 MAG/McDOT) - **completed**
- Saguaro Blvd. Road Bond Reconstruction (\$5,000,000 bonds) - **completed**
- Palisades/Saguaro Traffic Signal Upgrades (\$380,000 CIP) - **completed**
- Fountain Hills Blvd. Shoulder Paving Project (\$500,000 total; \$245,000 CIP; \$255,000 grant) - **initiated**
- McDowell Mountain Road Repairs (\$65,000 CIP) - **initiated**
- Contingency (\$272,885 CIP)

**Total \$14,392,885**

# Capital Projects

## CIP Funding Status

Fund Balance at 12/31/2015	\$ 5,599,910
Less: Projects initiated but not yet complete	
D6030 – Drainage-Ashbrook Wash	759,544
F4005 – Fire Station 2 Relocation	3,649,004
S6005 – Shea Blvd. Widening	131,339
S6010 – Saguaro Blvd Reconstruction	241,444
S6053 – Fountain Hills Boulevard Shoulder Paving	481,165
Other projects	<u>445,272</u>
Available Balance	\$ <107,858>*

\* Does not reflect monies to be received from grants (\$2,002,955) or development fees (\$686,549)

# Capital Projects

## FY16-17 Capital Projects

- D6030 – Ashbrook Wash (\$700,000 CIP)
- D6047 – Miscellaneous Drainage Improvements (\$50,000 CIP)
- E8502 – Downtown Vision Master Plan (\$400,000 Downtown Strategy Fund)
- F4005 – Fire Station No. 2 Relocation (Total \$3,650,000; \$3,395,700 CIP; \$254,300 Development Fees)
- F4030 – Chiller Installation (\$250,000 CIP)
- G5203 – Tennis Courts Rehabilitation (Total \$390,000; \$179,000 CIP; \$211,000 Grant)

# Capital Projects - continued

## FY16-17 Capital Projects - continued

- P3022 – Fountain Lake Water Quality Improvements (\$205,000 CIP)
- P3025 – Adero Canyon Trailhead (Total \$2,285,000; \$485,669 CIP; \$1,799,331 Development Fees)
- P3026 – Fountain Park Access Improvements (\$375,000 CIP)
- P3027 – Four Peaks Park – Phase I (bus barn removal) (\$75,000)
- S6003 – Unpaved Alley Paving – Phase IV (\$255,000)
- S6053 – Fountain Hills Blvd. Shoulder Paving (Total \$500,000; \$245,000 CIP; \$255,000 Grant)

**Total**

**\$9,135,000**

# Capital Projects-continued

FY16-17 Capital Projects – continued

## Funding:

CIP	\$6,215,369
Development Fees	\$2,053,631
Grants	\$466,000
Downtown Strategy Fund	\$400,000
Total	\$9,135,000

# Town of Fountain Hills Pavement Management Program



# Historical Streets Revenue & Road Maintenance

Fiscal Year	HURF Revenue	Total Road Maintenance	GF/CIP Contribution
2001	\$ 1,061,521	\$ 1,281,528	\$ 1,034,234
2002	\$ 1,254,816	\$ 968,745	\$ 588,100
2003	\$ 1,310,997	\$ 306,356	\$ -
2004	\$ 1,400,448	\$ 540,428	\$ -
2005	\$ 1,471,032	\$ 595,289	\$ -
2006	\$ 1,574,453	\$ 548,074	\$ 519,869
2007	\$ 1,750,051	\$ 1,171,728	\$ -
2008	\$ 1,682,055	\$ 1,275,378	\$ 171,089
2009	\$ 1,468,335	\$ 651,214	\$ -
2010	\$ 1,391,100	\$ 432,334	\$ 33,028
2011	\$ 1,396,075	\$ 331,690	\$ 323,431
2012	\$ 1,126,762	\$ 112,548	\$ 80,951
2013	\$ 1,232,187	\$ 1,057,135	\$ -
2014	\$ 1,268,564	\$ 1,980,509	\$ 994,000
2015	\$ 1,392,806	\$ 163,897	\$ -
<b>Total</b>	<b>\$ 20,563,845</b>	<b>\$ 11,253,310</b>	<b>\$ 3,744,702</b>

# Pavement Management Practices

Historical pavement management practices have consisted of crack sealing, surface seals and slurry seals by maintenance zone once every seven years and was funded through a combination of HURF, General Funds and CIP Funds.

The January 2009 Pavement Management Report completed by Stantec Engineering suggested the need for \$1.2 million annually for pavement management projects.

Stantec Engineering estimated that \$2.8 million annually will be required to provide asphalt mill & overlays to 20% of the Town's streets as well as slurry seal or surface seal treatments to the remaining streets. This is a long term pavement management program that will target one of seven pavement management zones each year and will replace the entire public street network over a 35 year period. The Town Council approved a budget of approximately \$1 million toward an annual street maintenance program to maintain an acceptable asphalt condition to the street system. While this will provide some benefit to prolonging the lifespan of the streets it is not a long-term, sustainable program without an asphalt replacement program.

The maintenance program is perpetual in nature but will not address reconstruction of the poorly rated roads such as Saguario Boulevard, for which the voters of Fountain Hills recently provided a much needed road bond to address replacement of this 40-year-old arterial street. Additionally, Surface Maintenance Seals are no longer an option for 40 year or older streets. It will be necessary that other similar aged arterial streets in need of replacement be approached in the same manner as the Saguario Road Bond Project in the future.

# Pavement Management Practices

## cont.....

All asphalt needs to be removed and replaced. In order to create a Sustainable Asphalt Replacement Program will require a minimum of \$2 million annually operational capital to begin replacement of asphalt with a combination of future CIP Annual Planning and future Road Bonding. Revenue options for future consideration for asphalt replacement are:

- *Maintain the current \$1 million annual asphalt maintenance program from the Vehicle License Tax and a portion of the HURF funds.*
- *Consider future Arterial/Major Collector Road Bonds for roads with asphalt 40 years or older and has reached its useful life and beyond useful maintenance efforts.*
- *Reprioritize a portion of annual Capital Improvement Plan (CIP) funds, where feasible, from the annual one-time construction sales tax to assist a portion of the required annual funding an Asphalt Replacement Program.*
- *.2% Sales Tax when feasible to become available in FY2016/17 after paying for the McDowell Mountain Preserve dedicated only to an annual Asphalt Replacement Program in combination with additional reprioritized CIP annual funding where feasible.*

# Planned Street Revenue & Road Maintenance and Asphalt Replacement

Fiscal Year	HURF/HLT Revenue	Excise Tax/ General Fund*	CIP Fund
2017	\$ 1,000,000	\$ 650,000	\$ 200,000
2018	\$ 1,000,000	\$ 700,000	\$ 200,000
2019	\$ 1,000,000	\$ 700,000	\$ 200,000
2020	\$ 1,000,000	\$ 700,000	\$ 200,000
2021	\$ 1,000,000	\$1,000,000*	\$ 200,000
2022	\$ 1,000,000	\$ 850,000*	\$ 200,000
2023	\$ 1,000,000	\$ 900,000*	\$ 200,000
2024	\$ 1,000,000	\$1,000,000*	\$ 200,000
2025	\$ 1,000,000	\$1,000,000*	\$ 200,000
2026	\$ 1,000,000	\$1,000,000*	\$ 200,000
<b>Total (est.)</b>	<b>\$10,000,000</b>	<b>\$8,500,000</b>	<b>\$ 2,000,000</b>

**Total \$20,500,000**

\*Additional monies after Community Center Bond Redemption

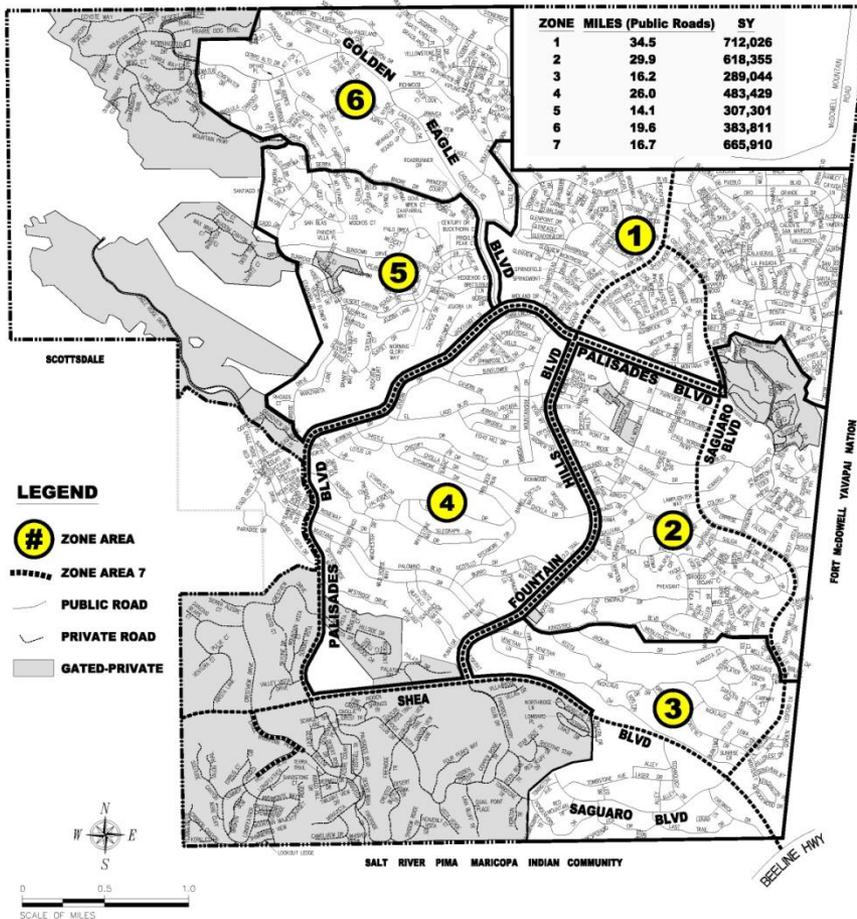
# Pavement Management Program



## Town of Fountain Hills PAVEMENT MANAGEMENT MAP

UPDATED: JULY 1, 2011

MC DOWELL MOUNTAIN PARK



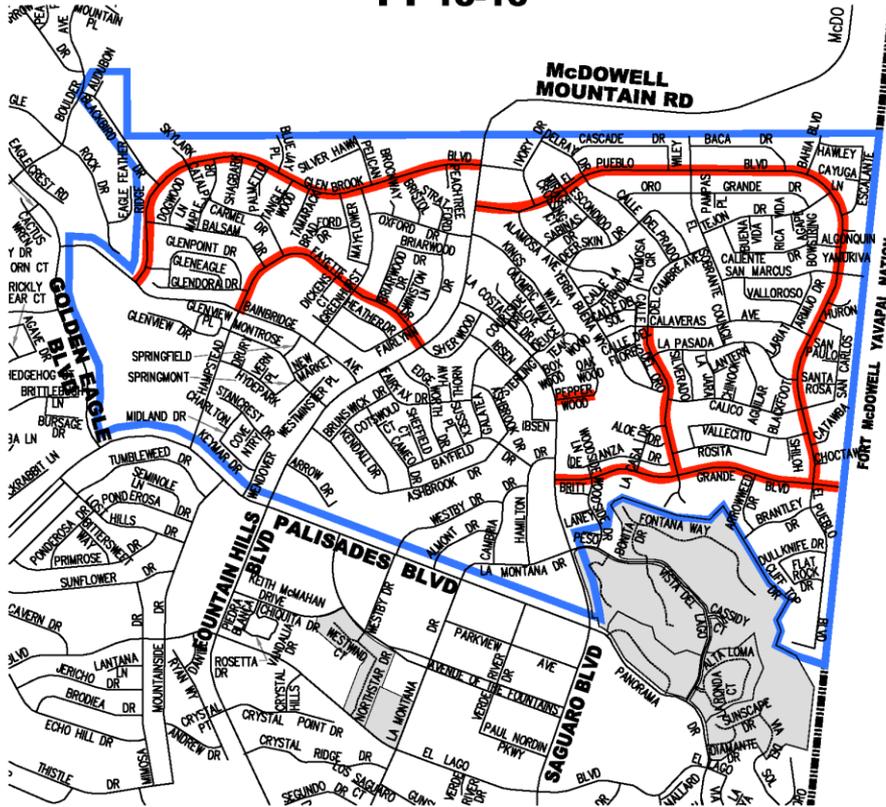
- 390 Lane Miles
- 3,4600,000 SY of Asphalt
- 7 Pavement Management Zones

### Anticipated Schedule

- FY11-12: Zone 5
- FY12-13: Zone 6
- FY13-14: Zone 7
- FY14-15: NA
- FY15-16: Zone 1
- FY16-17: Zone 1
- FY17-18: Zone 1
- FY18-19: Zone 2
- FY19-20: Zone 2
- FY20-21: Zone 2
- FY21-22: Zone 3
- FY22-23: Zone 3

# Pavement Management Program

## Town of Fountain Hills ZONE 1 PAVEMENT MANAGEMENT FY 15-16



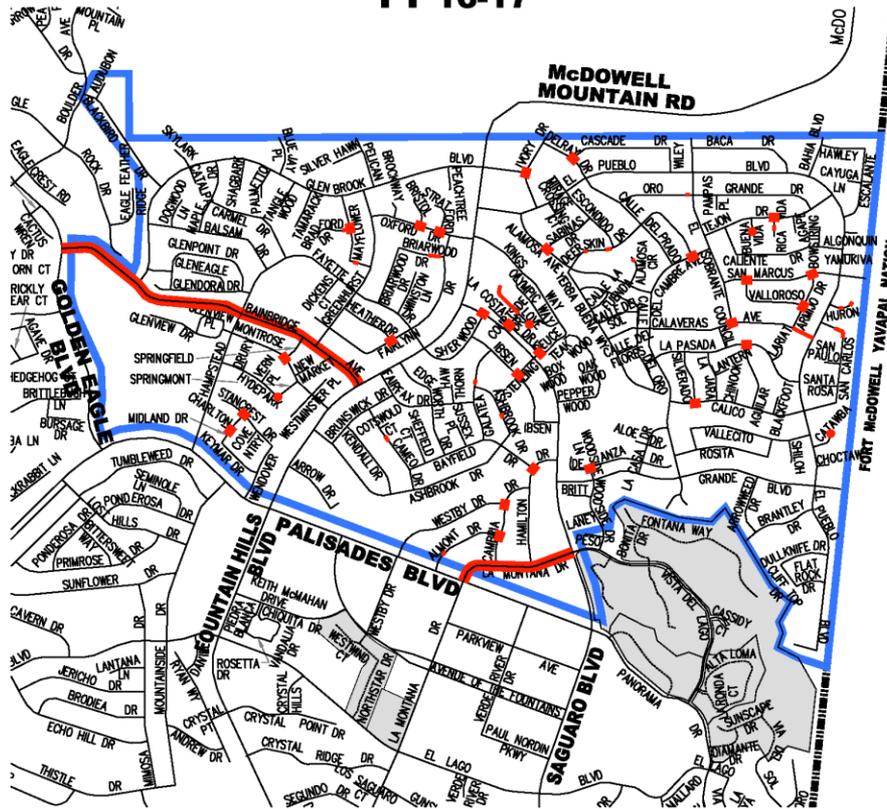
### FY2015-16: Zone 1 (completed)

- Grande
- El Pueblo
- Glenbrook
- Fayette
- Del Cambre
- Pepperwood

Project cost was approximately \$1.6 million including design, ADA improvements, asphalt mill & overlay, striping and utility adjustments.

# Pavement Management Program

## Town of Fountain Hills ZONE 1 PAVEMENT MANAGEMENT FY 16-17



## FY2016-17: Zone 1

- Bainbridge
- La Montana
- Various Locations
- Surface Seal Shea Blvd. (Technology to Scottsdale)
- Approx. Cost = \$1.0 Million

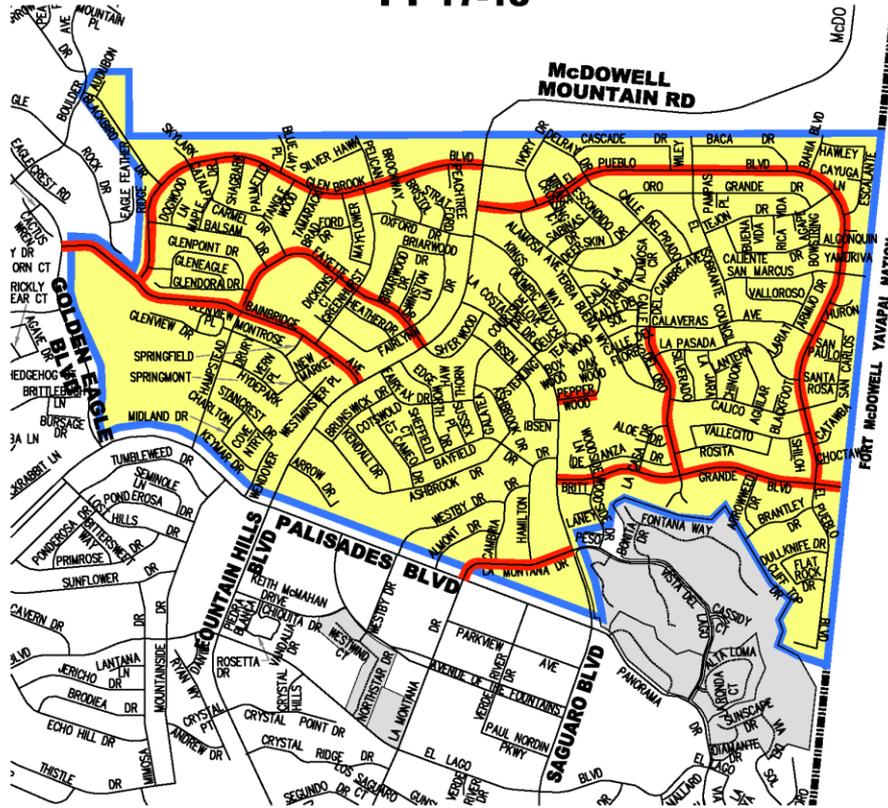


### LEGEND

- |  |  |
|--|--|
| <span style="color: blue;">—</span> ZONE AREA          | <span style="color: red;">—</span> SEGMENT |
| <span style="color: red;">—</span> ASPHALT REPLACEMENT | PRIVATE ROAD                               |
| INTERSECTION   | GATED-PRIVATE                              |
| CUL DE SAC   |  |

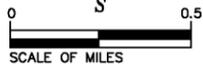
# Pavement Management Program

## Town of Fountain Hills ZONE 1 PAVEMENT MANAGEMENT FY 17-18



### LEGEND

- SLURRY SEAL
- ZONE AREA
- ASPHALT REPLACEMENT
- PRIVATE ROAD
- GATED-PRIVATE

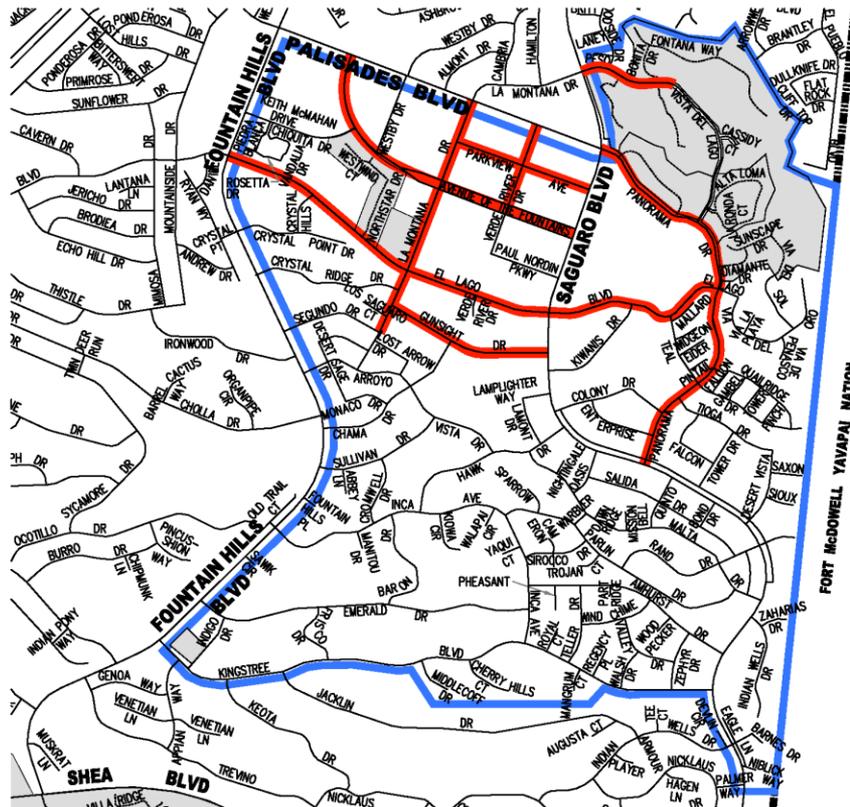


## FY2017-18: Zone 1

- Slurry Seal Zone 1
- Approx. Cost = \$1.1 Million

# Pavement Management Program

## Town of Fountain Hills ZONE 2 PAVEMENT MANAGEMENT FY 18-19



### FY2018-19: Zone 2

- La Montana
  - Avenue of the Fountains
  - Parkview
  - Verde River
  - El Lago
  - Gunsight
  - Panorama
  - La Montana (east of Saguaro)
- 
- Approx. Cost = \$1.8 Million

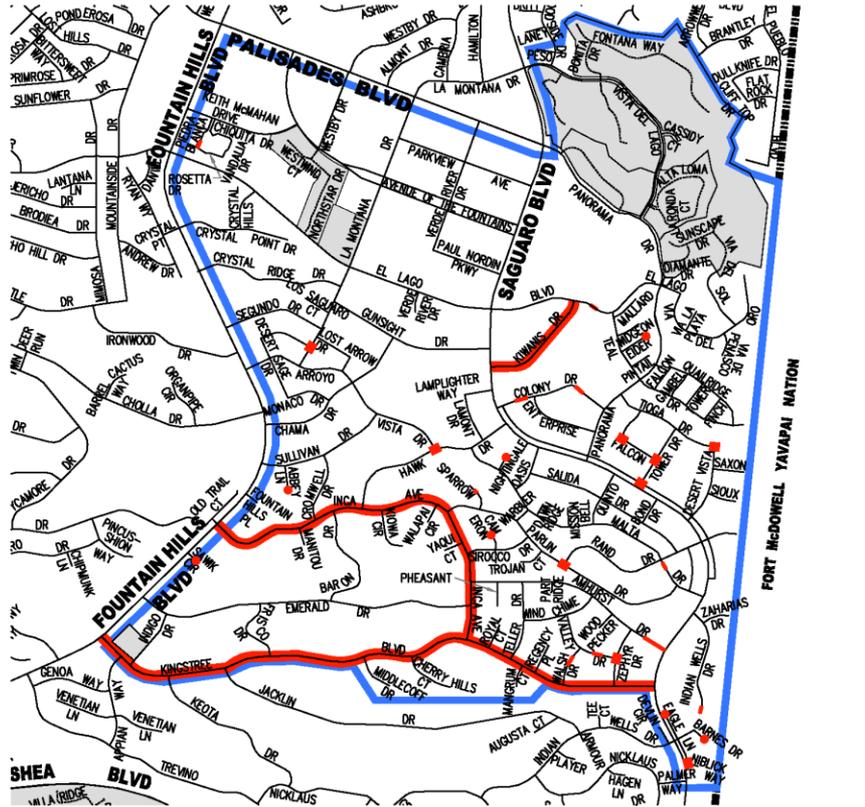


#### LEGEND

- ZONE AREA
- ASPHALT REPLACEMENT
- PRIVATE ROAD
- GATED-PRIVATE

# Pavement Management Program

## Town of Fountain Hills ZONE 2 PAVEMENT MANAGEMENT FY 19-20



### FY2019-20: Zone 2

- Kingstree
- Inca
- Kiwanis
- Various Locations
- Surface Seal Saguaro Blvd.
- Surface Seal Shea Blvd. (East Border to Technology)
- Approx. Cost = \$1.5 Million

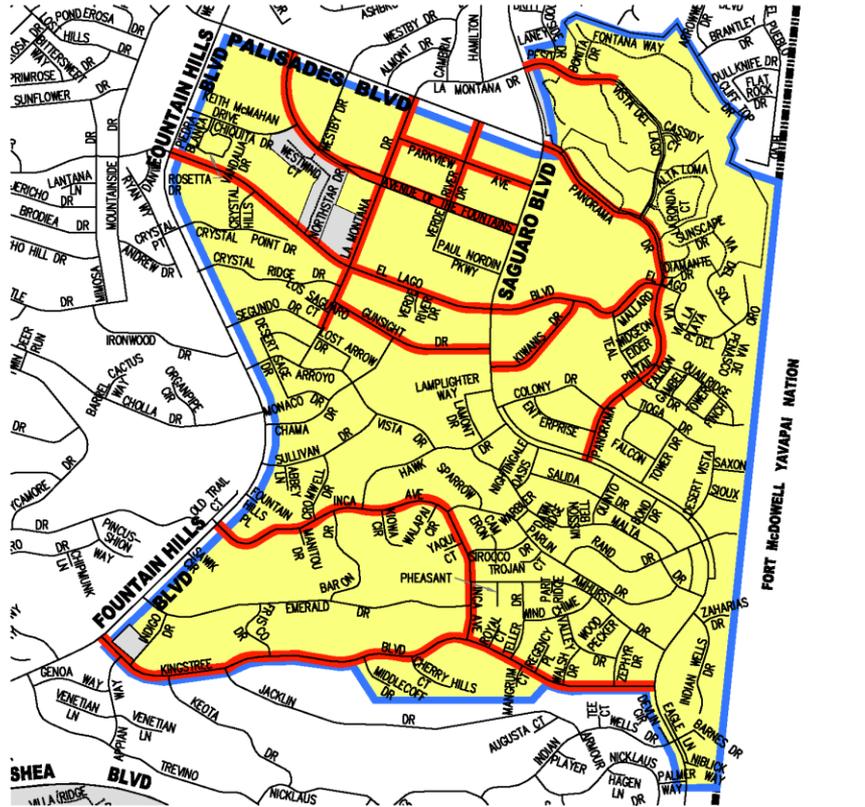


#### LEGEND

- |   |   |
|---|---|
|  ZONE AREA           |  SEGMENT       |
|  ASPHALT REPLACEMENT |  PRIVATE ROAD  |
|  INTERSECTION        |  GATED-PRIVATE |
|  CUL DE SAC          |   |

# Pavement Management Program

## Town of Fountain Hills ZONE 2 PAVEMENT MANAGEMENT FY 20-21

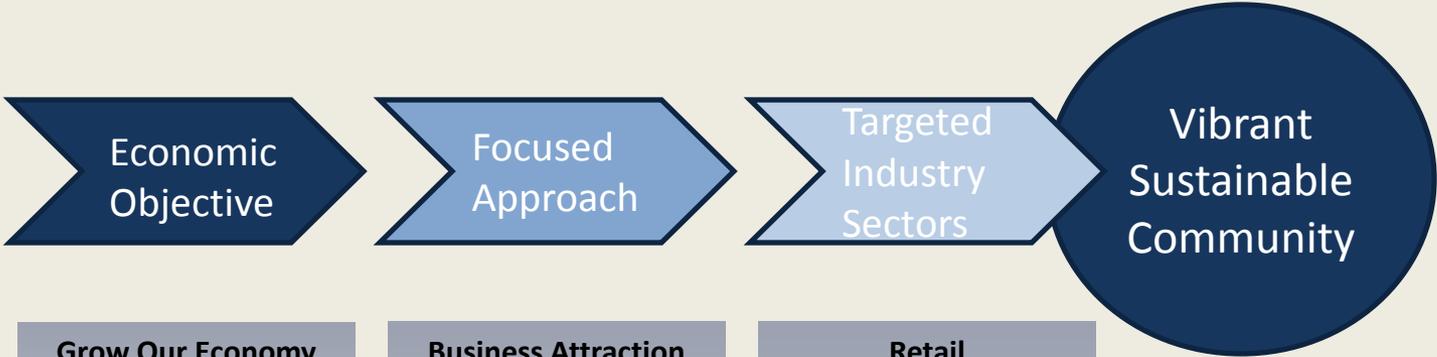


### FY2020-21: Zone 2 Slurry Seal

- Slurry Seal Zone 2
- Approx. Cost = \$700,000

# **Economic Development Plan**

# Economic Development Planning Approach EV1 – Strategic Plan Goal



**Grow Our Economy**

**Maximize Our Talent**

**Enhance Our Community**

**Business Attraction**

**Business Retention & Expansion**

**Entrepreneurial Development**

**Foundational Maintenance**

**Locational Catalysts**

**Retail**

**Education Professional, Technical & Scientific Services**

**Healthcare, Medical, Biosciences & Wellness**

**Finance & Insurance**

**Tourism & Recreation**

# Consensus Based Economic Development Implementation Plan



(EV1)

## Downtown Strategy (EV3)

## Tourism Strategy (EV5)

## Business Attraction Strategy (EV 4)

STRATEGY  
DEVELOPMENT:  
Area Specific Plan  
Implementation Strategy  
(Hyatt/Palma; Swaback  
Plan; ULI Plan) Mixed  
Used Development  
Zoning (Smart Growth  
Principles); Development  
Incentives; Capital  
Wayfinding Plan  
Funding Plan

STRATEGY  
DEVELOPMENT:  
-Promotion/Branding  
Marketing New Events  
Planning  
-Website(s)/Electronic  
Media  
-Funding

STRATEGY  
DEVELOPMENT  
\*54- Professional, Technical,  
Scientific Services  
Businesses  
\*52- Finance, Insurance,  
Businesses  
\*62- Health Care  
  
-Industry Retention & Expansion  
Program  
-Website Enhancement  
Industry Retention & Expansion  
Program/Retail Attraction  
-Website/Electronic Media

**Stakeholders:** Town of FH, SPAC, FH Chamber of Commerce, FH Business Alliance  
Ft. McDowell, FH Sanitary District, FH School District, Utilities, Developers, Commercial  
Property Owners, Commercial Real Estate Leasing Agents, Community Leaders

# Economic Development Successes

- **Business Attraction**

- Tractor Supply Company, Kewpie Egg World Trading Company, Mayo Clinic IT/Administration, Davita/Southwest Kidney Institute and Bealls Outlet Department Store (Opening June 2016)

- **Business Retention & Expansion**

- Brokers Alliance, Prevco Subsea

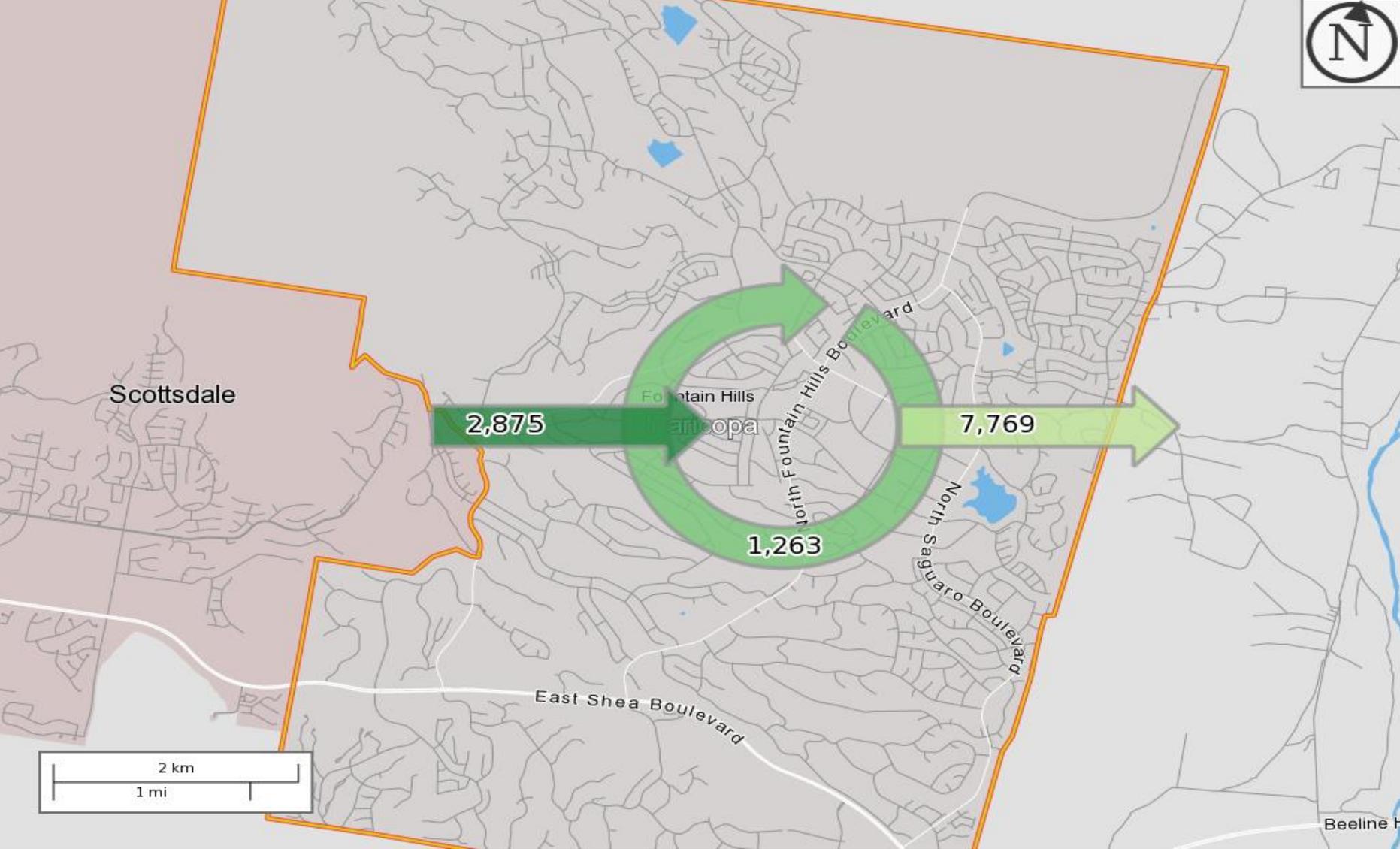
- **External Marketing**

- Digital postcard, economic development brochure, website and expanded network
- NerdWallet and Movoto.com

# Economic Development Opportunities

- **Social Media**
  - More activity on Twitter, Facebook, LinkedIn, YouTube
- **Redevelopment**
  - Downtown Strategy
- **Retail**
  - Lack of population density
- **Job Growth - Attraction**
  - Available workforce concerns

# Fountain Hills Workforce



# FY 2015-16 Tourism Activities

- Awarded \$25,000 grant from Arizona Office of Tourism
- Awarded \$25,000 grant from Salt River Pima Indian Community
- Continuation of branding “Experience Fountain Hills”
- Implementation of a strategic marketing strategy
- Design and implementation of existing and new publications
- Continued revitalization of tourism programs
- Stakeholder meetings, presentations, and outreach incentives and initiatives
- Online advertising
  - Ad retargeting
  - Social Branding/advertising
- Brand exposure throughout valley
  - Phoenix Magazine
  - Valley Guide
  - Spring Training Fields
  - Phoenix Open
- Launch of Newly renovated tourism website

# ***Tourism: Where do we go from here?***

- **Continuing marketing efforts and expanding into new medias/publications:**
  - Continued advertising on Facebook
  - Ad placements with Phoenix Magazine
  - Listings with the Arizona Office of Tourism guides
  - Continued updating of website with industry standard tools to maximize user-friendly look and feel
  - Implementation of “itineraries” as new marketing hook
- **New Online Marketing & Retargeting Campaign**
  - Geo Tracking
  - Call Tracking
  - Online Ad retargeting
- **Create new industry relationships**
  - Stakeholder meetings to create and discuss common goals and initiatives
    - Scheduled for second week in September
  - Outreach to neighboring CVB’s
  - Visiting local businesses and interacting with business owners promoting this program
- **Implementation of 4 Year Strategic Tourism Plan**
  - Plan gives a specific look at the Tourism division addressing the programs goals, initiatives and division guidelines for advertising, marketing, events and public interaction/advocacy

# Public Safety

# Public Safety

## Law Enforcement Services

- Current law enforcement services are contracted with Maricopa County Sheriff's Office
- Current MCSO contract runs until June 2017
- Contract based on actual costs from prior fiscal year
- Growing annually by 7-10%
- Unfunded liability with Public Safety Pension System is major driver of increased costs
- MCSO began deploying body cameras in FH in January '16
- MCSO changed deputy work schedules from 3-13 work week to 4-10s

# Public Safety

## Emergency Fire/Rescue Services

- Current fire and emergency medical services contracted with Rural Metro
- Town owns fire stations, vehicles, and equipment
- Current Rural Metro contract runs until June 2018
- Under terms of contract, cost of services go up 3.5% annually
- Ambulances now staffed with firefighters (began in 2015)
  - Improves command structure/coordination, adds additional firefighters at no added cost to Town
- Issues:
  - Rural Metro acquired by AMR last December
  - Will be evaluating impacts, if any, on services



# CAPITAL RESERVE ANALYSTS

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Queen Creek, AZ 85142  
support@azreservestudy.com  
Tel: (480) 840-7130 Fax: (888) 842-9319

***DRAFT***

January 11, 2016

## **Town of Fountain Hills Development Services**

Regarding: FY2016/17 - Level I Capital Replacement Reserve Analysis

We are pleased to submit this Level I Reserve Study for Town of Fountain Hills Development Services. This report is a budgeting tool designed to help you navigate the uncertain future. It contains financial projections to help you understand your future reserve expenses. This report will help you answer the questions "Do we have enough in our Reserve account?" and "How much do we need to contribute to our reserve fund?"

If you have questions about the Reserve Study, please contact us at (480) 840-7130. We look forward to doing business with you in the future.

Thank you,

Capital Reserve Analysts

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## Disclosure and Limitations

Because we have no control over future events, we cannot claim that all the events we anticipate will occur as planned. We expect that inflationary trends will continue, and we expect that financial institutions will provide interest earnings on funds on-deposit. We believe that reasonable estimates for these figures are much more accurate than ignoring these economic realities. The things we can control are measurements, which we attempt to establish within 5% accuracy. Your starting Reserve Balance and current Reserve interest earnings are also numbers that can be identified with a high degree of certainty. These figures have been provided to us, and were not confirmed by our independent research. Our projections assume a stable economic environment and lack of natural disasters. Because both the physical status and financial status of the entity change each year, this Reserve Study is by nature a “one-year” document. This information can and should be adjusted annually as part of the Reserve Study Update process so that more accurate estimates can be reflected in the Reserve plan.

Reality often differs from even the best assumptions due to changing economic factors, physical factors, or ownership expectations. Because many years of financial preparation help the preparation for large expenses, this Report shows expenses for the next 30 years. We fully expect a number of adjustments will be necessary through the interim years to both the cost and timing of distant expense projections.

It is our recommendation and that of the American Institute of Certified Public Accountants (AICPA) that your Reserve Study be updated annually. We have relied upon the client to provide the current (or projected) Reserve Balance, the estimated net-after-tax current rate of interest earnings, and to indicate if those earnings accrue to the Reserve Fund. In addition, we have considered the entity’s representation of current and historical Reserve projects reliable, and we have considered the representations made by its vendors and suppliers to also be accurate and reliable.

Component quantities indicated in this Report were developed by Capital Reserves. No destructive or intrusive testing was performed, nor should the site inspection be assumed to be anything other than for budget purposes.

## Objectives and Scope of Work

**Background:** The Town of Fountain Hills was incorporated in 1989. Since that time, the town has acquired, renovated and built new facilities. Major past projects include: Addition of the Community Center, Physical Plant and Library/Museum buildings (2001), Fountain Hills Lake Liner Rehabilitation (2001), Addition of the Town hall building (2005) and the addition of (4) Parks. Our assistance was requested to develop a long-term capital asset plan so the Town can plan and prepare for future expenditures.

1. A visual field inspection of the building elements and site improvements to determine the existing condition of town assets. The building elements and site improvements will be inspected in order to determine the typical or “average” condition of the elements. The building elements and site improvements will be field-measured, and the component quantities derived from these measurements will be included in the Reserve Study.
2. Estimation of the remaining life and the probable replacement/rehabilitation costs of the various components, based upon the field inspection of the components and any site-specific conditions that may affect the remaining life or replacement cost of these components.
3. Annual funding recommendations will be developed (with multiple funding goal scenarios considered) based upon the estimated life cycles of the observed components, the estimated replacement/rehabilitation costs of the observed components, and information supplied by the client for use in this analysis, and for the initial fiscal year of the analysis (as selected by the client) and the following thirty (30) fiscal years that constitute the standard 30-year analysis time window.
4. A report of our observations, Client-supplied information (as relevant to the analysis), and our conclusions will be prepared; and will include a schedule of the components considered in the analysis, including the estimated current replacement costs and life cycles of the considered components, projections of the estimated expenditures and recommended annual funding scenarios over the analysis time window, and a break-down of the projected capital projects considered in the analysis by fiscal year over the analysis time window.

## Report Guide

The Board of Directors or governing body of common interest entities has a fiduciary responsibility to maintain and preserve the value of common area assets belonging to the entity. As part of their fiduciary duty, board/Council members are responsible for the long-term planning and funding of future major repairs and replacements of community assets such as; park maintenance, building renovations and parking lot repairs.

The purpose of this study is to provide the Town of Fountain Hills with an inventory of reserve components that require periodic repair and replacement and a reserve funding plan to offset the associated costs of these projects. This report provides replacement/repair cost estimates and maintenance schedules of each reserve component to assist the entity in making budget decisions regarding reserve funding.

This reserve study adheres to the Community Association Institute's (CAI) standards regarding service levels and disclosures. This report is in compliance with The American Institute of Certified Public Accountants (AICPA) guidelines for Common Interest Realty Associations. Recommendations and accompanying assumptions included herein are based on information provided to Capital Reserve Analysts and assembled for the Entity's use.

The report has been divided into four easy-to-understand sections:

### **Executive Summary**

Provides an overview of the Town's current physical condition and financial situation, outlining significant findings and conclusions. This section of the report should be used as a quick reference in helping the reader to understand the parameters and results of the study.

### **Financial Analysis/Overview**

Examines report findings such as current status of Reserve Fund levels, current funding plan and our recommendation for future reserve funding.

### **Methodology**

Details the framework, methods, and materials used in developing the reserve study and the associated funding plan. This section provides a comprehensive understanding of the methodology and the process taken to develop the report.

### **Reserve Component Listing & Expense Forecast by Year**

Lists the reserve components for which the Town is responsible to maintain along with each line item's expected useful life, current replacement cost and remaining useful life based on our on-site observations.

## Executive Summary

<b>Client Name</b> Town of Fountain Hills	<b>Location</b> Fountain Hills, Arizona	<b>Year Incorporated</b> 1989
<b>Project Description</b> Town of Fountain Hills Inc.	<b>Type of Study</b> Level I Full Reserve Study	<b>Funding Strategy Recommended</b> Full Funding
<b>Number of Units</b> N/A	<b>Date Prepared</b> January 10, 2016	<b>Next Study</b> 2017



### Project Summary

---

Report Period (Fiscal Year)	7/1/2016 – 6/30/2045
Inflation Rate	3.00%
Interest Rate	1.65%
Projected Starting Reserve Balance	\$0
Fully Funded Balance	\$7,127,225
Percent Funded	0%
Recommended Annual Reserve Contrib.	\$84,600

## Financial Analysis

The Financial Analysis is made up of a finding of the client's current *Reserve Fund Status* (measured in cash and Percent Funded) and a recommendation for an appropriate Reserve contribution rate (*Funding Plan*) in order to adequately plan for the ongoing major maintenance, repair and replacement of owned assets.

1. Projected Starting Reserve Balance	\$0
2. Fully Funded Balance	\$7,127,225
3. Percent Funded	0%
4. Recommended Monthly Reserve Contributions	\$84,600
5. Report Start Date	7/1/2016

1. Your projected starting reserve balance is the dollar amount projected to be in reserve funds at the beginning of the report period. This amount is calculated based on client figures and is not audited.
2. Fully funded balance is the amount needed to cover future reserve expenses, reduce emergency funding risk and avoid delayed or deferred maintenance. The Fully Funded Balance is the total accrued deterioration for each component; the calculation can be expressed as follows: Current Cost X Effective age/ Useful life. For example an asset with a 10 year useful life and a \$10,000 replacement cost during year 5 of its service life would have a Fully Funded Balance of \$5,000.  $[(\$10,000 \times 5)/10 = \$5,000]$  The sum of all the reserve components' FFB at The Town of Fountain Hills is \$7,127,225.
3. Percent funded compares what you currently have in the reserve account to the 100% funded level Reserve balance.
4. Recommended reserve contributions are the amount we recommend contributing to the reserve fund on a monthly basis in order to gradually increase your Reserve Fund to the 100% funded level. It should be noted, we are recommending contributions of **\$84,600/month or \$1.01M annually**. We recommend annual increases of 3% for 10 years followed by annual increases of 2% for the remaining 20 years.
5. Report start date is the date the funding model begins to calculate

### Reserve Fund Strength

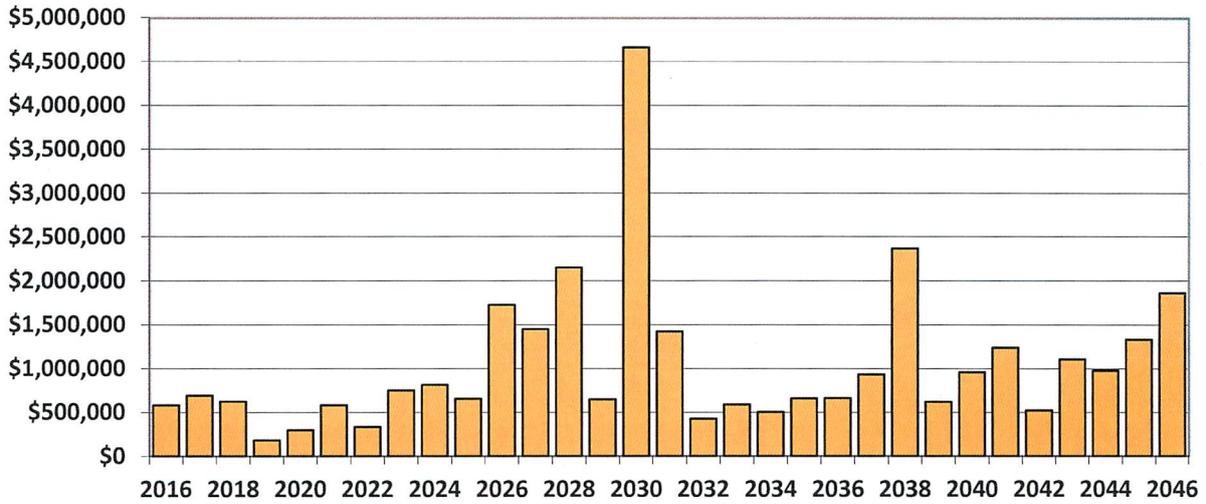
Reserve fund strength is measured as a percentage. Typically entities with a percent funded level of 70% and above have a low risk for deferred maintenance. Conversely, entities with a percent funded level of 30% and below have a high risk of emergency funding needs and deferred maintenance. The Town of Fountain Hills' Reserve Fund percentage is currently **0%** this represents a **Weak** position.

# Financial Overview

## 30-Year Summary of Expenditures

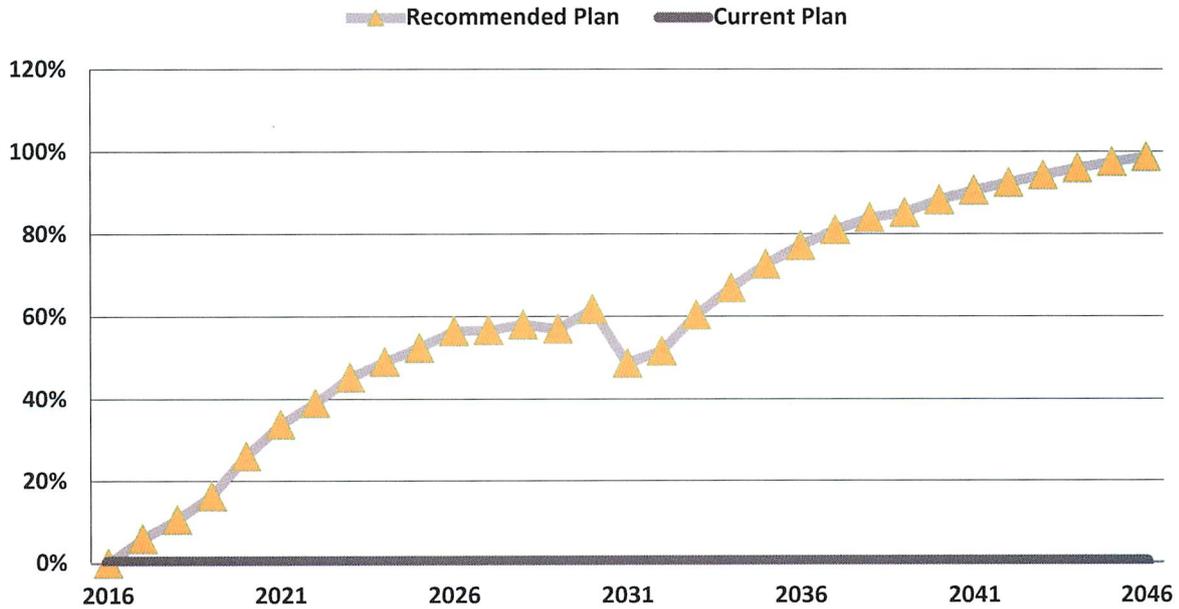
The graph below shows the array of the projected future expenses. As you can see, expenses are projected 30 years into the future, using the Inflation rate shown in the Executive Summary. This figure clearly shows the near term and future expenses which you will face. Note the large future expenses in 2030 are due primarily to the Fountain Park Lake renovations.

**Reserve Expenditures**

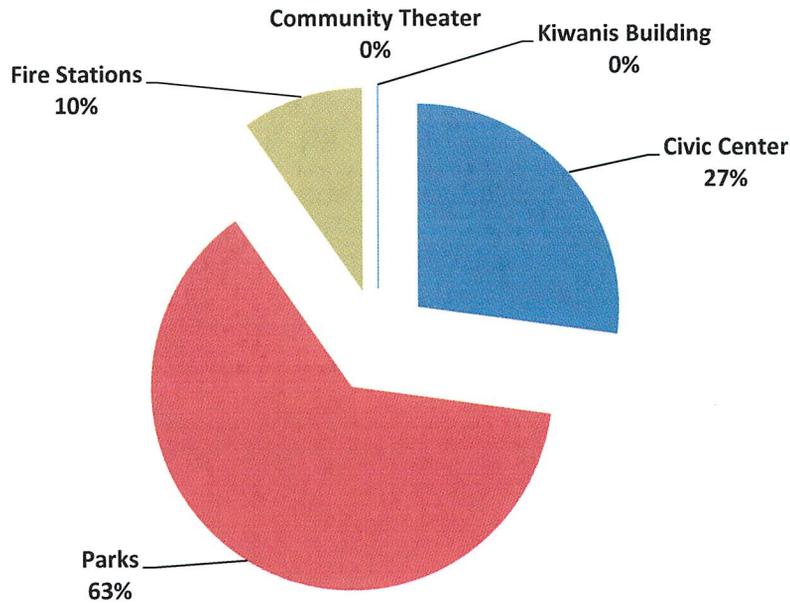


## Percent Funded

The graph below highlights the movement of the reserve fund status which is currently 0%.



## Current Cost by Category



## Current Replacement Cost by Category/Sub-Category

Category	Sub-Category	Current Cost
Parks	Fountain Park	\$ 4,072,640
Parks	Golden Eagle	\$ 1,776,100
Civic Center	Com Center	\$ 1,149,360
Parks	Four Peaks	\$ 1,052,110
Civic Center	Town Hall	\$ 1,036,125
Parks	Desert Vista	\$ 787,900
Civic Center	Civic Center	\$ 645,985
Civic Center	Physical Plant	\$ 567,800
Civic Center	Library/Museum	\$ 561,550
Fire Stations	Sta. #1 & #2	\$ 541,000
Fire Stations	Station #3	\$ 341,420
Parks	Linear Park	\$ 200,350
Fire Stations	Station #2	\$ 159,420
Fire Stations	Station #1	\$ 137,300
Community Theater	Community Theater	\$ 124,705
Kiwanis Building	Kiwanis Building	\$ 85,365
Fire Stations	Throughout	\$ 40,000
<b>Total</b>		<b>\$13,279,130</b>

## Fund Balance

Fiscal Quarter-End Fund Balances (Unaudited)						
December 31, 2015					Legally Restricted	Council Restricted
<b>Operating Funds</b>						
99	Rainy Day Fund	\$ 2,624,843				Y
100	General Fund	5,621,670				
410	Public Art Fund	5,919				Y
800	Internal Service Fund	(7,395)				
810	Vehicle Replacement Fund	668,521	<b>\$ 8,913,558</b>			
200	<b>Highway User Revenue Fund (HURF)</b>	668,627	<b>668,627</b>			
<b>Special Revenue Funds</b>						
400	Special Revenue Fund	54,643			Y	
420	Court Enhancement Fund	284,259			Y	
460	Environmental Fund	13,711				Y
550	Cottonwoods Maintenance District Fund	13,338	<b>365,951</b>		Y	
<b>Excise Tax Funds</b>						
300	Downtown Strategy Fund	886,729				Y
310	Economic Development Fund	57,905				Y
320	Tourism Fund	88,920	<b>1,033,554</b>		Y	Y
<b>Debt Service</b>						
510	General Obligation Debt Service Fund	1,530,848			Y	
520	Eagle Mountain CFD Debt Service Fund	297,157			Y	
530	MPC Debt Service Fund	426,986	<b>2,254,991</b>		Y	
<b>Capital Projects</b>						
600	Capital Projects Fund	5,599,910				Y
610	Facilities Replacement Fund	170,227	<b>5,770,137</b>			Y
<b>Development Fees</b>						
710	Law Enforcement	203,484			Y	
720	Fire & Emergency	97,008			Y	
730	Streets	-			Y	
740	Parks & Recreation	229,338			Y	
750	Open Space	1,660,059			Y	
760	Library/Museum	-	<b>2,189,889</b>		Y	
<b>Grand Total</b>			<b>\$ 21,196,707</b>			

TPT Rates

TPT (Sales) Tax Rates - effective January 1, 2016	By Total Rate		
<u>City/Town Name</u>	<u>Retail Tax Rate</u>		<u>Total Rate</u>
Guadalupe	4.0%		10.3%
Buckeye	3.0%		9.3%
Carefree	3.0%		9.3%
Cave Creek	3.0%		9.3%
El Mirage	3.0%		9.3%
Gila Bend	3.0%		9.3%
Youngtown	3.0%		9.3%
Glendale	2.9%		9.2%
Litchfield Park	2.8%		9.1%
Peoria	1.8%		9.1%
<b>Fountain Hills</b>	<b>2.6%</b>		<b>8.9%</b>
Avondale	2.5%		8.8%
Goodyear	2.5%		8.8%
Paradise Valley	2.5%		8.8%
Tolleson	2.5%		8.8%
Apache Junction	2.4%		8.7%
Phoenix	2.3%		8.6%
Queen Creek	2.3%		8.6%
Surprise	2.2%		8.5%
Wickenburg	2.2%		8.5%
Mesa	1.8%		8.1%
Tempe	1.8%		8.1%
Scottsdale	1.7%		8.0%
Chandler	1.5%		7.8%
Gilbert	1.5%		7.8%

TPT Rates

TPT (Sales) Tax Rates - effective January 1, 2016	By Retail Rate		
<u>City/Town Name</u>	<u>Retail Tax Rate</u>		<u>Total Rate</u>
Guadalupe	4.0%		10.3%
Buckeye	3.0%		9.3%
Carefree	3.0%		9.3%
Cave Creek	3.0%		9.3%
El Mirage	3.0%		9.3%
Gila Bend	3.0%		9.3%
Youngtown	3.0%		9.3%
Glendale	2.9%		9.2%
Litchfield Park	2.8%		9.1%
<b>Fountain Hills</b>	<b>2.6%</b>		<b>8.9%</b>
Avondale	2.5%		8.8%
Goodyear	2.5%		8.8%
Paradise Valley	2.5%		8.8%
Tolleson	2.5%		8.8%
Apache Junction	2.4%		8.7%
Phoenix	2.3%		8.6%
Queen Creek	2.3%		8.6%
Surprise	2.2%		8.5%
Wickenburg	2.2%		8.5%
Mesa	1.8%		8.1%
Peoria	1.8%		9.1%
Tempe	1.8%		8.1%
Scottsdale	1.7%		8.0%
Chandler	1.5%		7.8%
Gilbert	1.5%		7.8%

TPT Rates

TPT (Sales) Tax Rates - effective January 1, 2016		Alphabetical	
<u>City/Town Name</u>	<u>Retail Tax Rate</u>		<u>Total Rate</u>
Apache Junction	2.4%		8.7%
Avondale	2.5%		8.8%
Buckeye	3.0%		9.3%
Carefree	3.0%		9.3%
Cave Creek	3.0%		9.3%
Chandler	1.5%		7.8%
El Mirage	3.0%		9.3%
Fountain Hills	2.6%		8.9%
Gila Bend	3.0%		9.3%
Gilbert	1.5%		7.8%
Glendale	2.9%		9.2%
Goodyear	2.5%		8.8%
Guadalupe	4.0%		10.3%
Litchfield Park	2.8%		9.1%
Mesa	1.8%		8.1%
Paradise Valley	2.5%		8.8%
Peoria	1.8%		9.1%
Phoenix	2.3%		8.6%
Queen Creek	2.3%		8.6%
Scottsdale	1.7%		8.0%
Surprise	2.2%		8.5%
Tempe	1.8%		8.1%
Tolleson	2.5%		8.8%
Wickenburg	2.2%		8.5%
Youngtown	3.0%		9.3%